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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Peacekeeping Force in Cyprus

Financial performance report for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Peacekeeping Force in Cyprus

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2009/10	$54,412,700
Expenditure for 2009/10	$53,298,700
Unencumbered balance for 2009/10	$1,114,000
Appropriation for 2010/11	$56,325,700
Projected expenditure for 2010/11[a]	$56,314,500
Estimated underexpenditure for 2010/11[a]	$11,200
Proposal submitted by the Secretary-General for 2011/12	$55,744,900
Recommendation of the Advisory Committee for 2011/12	$55,744,900

[a] Estimates as at 31 January 2011 (see annex I).

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I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends approval of the Secretary-General's proposals for the United Nations Peacekeeping Force in Cyprus (UNFICYP) for the period from 1 July 2011 to 30 June 2012 and has made observations, where appropriate, in the paragraphs below.**

2. The general report of the Advisory Committee on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/65/743) contains its views and recommendations on a number of cross-cutting issues. In the present report, the Committee deals with resources and other items that relate specifically to UNFICYP.

3. In considering the proposals made by the Secretary-General in his report on the proposed budget for UNFICYP for the period from 1 July 2011 to 30 June 2012 (A/65/706), the Advisory Committee has taken into account the recommendations of the Board of Auditors related to UNFICYP (see A/65/5 (Vol. II), chap. II) and has made specific comments thereon in paragraphs 35 and 36 below. The report of the Committee on the Board's report on the accounts of the United Nations peacekeeping operations is contained in document A/65/782. **The Committee reiterates the need for the expeditious implementation of the relevant recommendations of the Board.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNFICYP are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2009 to 30 June 2010

5. By its resolution 63/290, the General Assembly appropriated an amount of $54,412,700 gross ($52,141,000 net) for the maintenance of UNIFCYP for the period from 1 July 2009 to 30 June 2010. That amount included voluntary contributions from the Government of Cyprus in the amount of $18,074,373, equivalent to one third of the net appropriation, and $6.5 million from the Government of Greece. An amount of $32,220,527 gross ($29,948,827 net) has been assessed on Member States. Expenditures for the period totalled $53,298,700 gross ($50,771,400 net). The resulting unencumbered balance of $1,114,000 gross ($1,369,600 net) represents, in gross terms, 2 per cent of the total appropriation. A detailed analysis of variances is provided in section IV of the performance report (A/65/625).

6. Underexpenditures were incurred, inter alia, under:

(a) Military contingents ($1,304,400, or 6.2 per cent), owing to lower actual costs of commercial and charter flights for the rotation of contingent personnel and reduced requirements for rations owing to stricter distribution controls and a discount from the vendor. The variance was offset in part by additional requirements for recreational leave allowances and mission subsistence allowances;

(b) Official travel ($268,100, or 52.9 per cent), due to the cancellation of some conferences and the reprioritization of resources to meet more critical

operational requirements (see para. 8 below), which resulted in the deferment or cancellation of some planned travel;

(c) Facilities and infrastructure ($368,500, or 4.8 per cent), as a result of the deferment of some projects as a result of the reprioritization of resources for more critical operational requirements (see para. 8 below) and reduced requirements for maintenance supplies. The variance was partially offset by increased requirements resulting from higher consumption, exchange rate fluctuations and additional requirements for maintenance services;

(d) Air transportation ($119,400, or 7.7 per cent), owing to the lower number of flight hours (1,184 actual hours as compared with 1,320 planned hours). The variance was offset in part by additional requirements for petrol, oil and lubricants owing to the higher cost of fuel and exchange rate fluctuations;

(e) Communications ($191,700, or 19.6 per cent), due to reduced requirements for transponder charges and other commercial communications;

(f) Special equipment ($9,100, or 94.8 per cent), as a result of the non-acquisition of observation equipment as a result of the reprioritization of resources for more critical operational requirements (see para. 8 below).

7. The above-mentioned underexpenditures were offset in part by additional requirements under:

(a) International staff ($127,500, or 1.9 per cent), owing to higher than budgeted staff costs and to a lower than budgeted vacancy rate (2.6 per cent as compared with the budgeted rate of 5 per cent);

(b) National staff ($840,900, or 11.0 per cent), due primarily to the revision of the salary scales for national staff effective 1 September 2009 and to exchange rate fluctuations;

(c) Other supplies, services and equipment ($366,800, or 61.1 per cent), attributable primarily to the recording of losses as a result of exchange rate fluctuations.

8. As indicated in paragraph 6 above, during the performance period UNFICYP reprioritized some of its resources in order to meet more critical operational requirements. Upon enquiry, the Advisory Committee was informed that, in January 2010, UNFICYP had anticipated a deficit of $1.9 million as a result of increased requirements for helicopter rental charges, additional rest and recuperation costs for military contingent personnel and additional staff costs and service charges owing to the depreciation of the United States dollar against the euro. In order to minimize the impact of those external factors on UNFICYP operations and to ensure that no additional funding would be required, a number of cost-saving measures were taken, including: the reduction of budgeted helicopter flight hours, official travel, general temporary assistance costs, medical supplies, utilities expenditure and public information requirements; the non-procurement of certain items that had been provided for in the budget (including office furniture, prefabricated facilities, generators and cleaning and sanitation supplies); and the cancellation and/or postponement of a number of approved construction and infrastructure projects. The Committee was further informed that, following the implementation of those measures, the dollar/euro exchange rate had improved significantly, which had resulted in savings at the end of the financial period.

9. In response to an enquiry regarding the impact of reduced helicopter flight hours on UNFICYP operations, the Advisory Committee was informed that reconnaissance flights had taken precedence over routine patrols and that one of the three helicopters had remained dedicated to medical evacuations. In order to ensure that the reduced number of aviation patrols did not have an adverse effect on the stability of the buffer zone, UNFICYP had increased the number of vehicle and foot patrols, which had resulted in fewer detected violations of the ceasefire arrangement.

10. The comments of the Advisory Committee on the information presented in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2011 to 30 June 2012 (A/65/706).

III. Financial position and information on performance for the current period

11. The Advisory Committee was informed that, as at 31 January 2011, a total of $425,620,000 had been assessed on Member States in respect of UNFICYP since its inception. Payments received as at the same date amounted to $396,125,000, leaving an outstanding balance of $29,495,000. As at 7 February 2011, taking into account a three-month operating reserve of $10,972,000 (excluding reimbursements for troop-contributing countries), and including $4 million borrowed from closed peacekeeping operations, UNFICYP had a cash shortfall of $200,000. **The Committee continues to be concerned at the persistent precariousness of the financial situation of UNFICYP and its impact on the timely reimbursement of troop-contributing countries (see A/64/660/Add.5, para. 9) and recalls, in this connection, that the General Assembly has consistently stressed that all Member States should fulfil their financial obligations as set out in the Charter of the United Nations on time, in full and without conditions (see also A/65/775, para. 9).**

12. The Advisory Committee was also informed that, as at 31 December 2010, $2,763,000 was owed for troops and $686,000 was owed for contingent-owned equipment. With regard to death and disability compensation, during the period from 1 January to 31 December 2010, $50,000 had been paid in respect of one claim. As at 31 December 2010, no claims were pending.

13. The Advisory Committee was informed that, as at 31 January 2011, the human resources incumbency for UNFICYP for the period from 1 July 2010 to 30 June 2011 was as follows:

Category of personnel	*Authorized*[a]	*Encumbered*	*Vacancy rate (percentage)*
Military contingent personnel	860	857	0.3
United Nations police	69	69	—
International staff	39	37	5.1
National staff	113	111	1.8

[a] Represents the highest authorized strength for the period.

14. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2010 to 30 June 2011 (see annex). Expenditures for the period as at 31 January 2011 amounted to $37,175,600. At the end of the current financial period, estimated total expenditures would amount to $56,314,500 against the appropriation of $56,325,700, leaving a projected unencumbered balance of $11,200.

IV. Proposed budget for the period from 1 July 2011 to 30 June 2012

A. Mandate and planned results

15. The mandate of UNFICYP was established by the Security Council in its resolution 186 (1964). The most recent extension of the mandate, to 15 June 2011, was authorized by the Council in its resolution 1953 (2010).

16. The planning assumptions and mission support initiatives for 2011/12 are described in paragraphs 6 to 10 of the Secretary-General's report on the proposed budget (A/65/706). As indicated in paragraph 6 of that report, during the budget period UNFICYP will continue to focus on creating conditions conducive to the efforts to achieve a comprehensive settlement of the Cyprus problem and will assist the Special Representative of the Secretary-General/Chief of Mission, as the principal adviser and deputy to the Special Adviser of the Secretary-General on Cyprus, in her efforts to support the fully fledged negotiations between the Greek Cypriot and Turkish Cypriot leaders. During its consideration of the Secretary-General's proposals, the Advisory Committee was informed that, as a result of UNFICYP efforts, during the period under review the military situation in the buffer zone had remained peaceful, with no major violations of the ceasefire arrangement, and that the attendant sense of increased security among Cypriots had led to a doubling of applications for the use of the buffer zone for normal activities such as farming, building and commercial ventures.

17. The Advisory Committee was also informed that, in response to Security Council resolution 1953 (2010), in which the Council noted the importance of contingency planning in relation to a settlement, including recommendations for further adjustments to the UNFICYP mandate, force levels and concept of operations, a preliminary assessment mission, led by the Department of Peacekeeping Operations, including staff from the Department of Field Support and the Department of Political Affairs, visited Cyprus in May 2010 and met, inter alia, with representatives of UNIFCYP, the office of the Special Adviser and the United Nations Development Programme, as well as with representatives of the two parties. While that mission had contributed to internal planning, the exact nature of the Organization's involvement in the implementation of a settlement, including the United Nations mandate, would depend on the substance of the agreement reached between the two parties. UNFICYP would therefore continue to plan in a flexible manner, pending a more detailed discussion on its possible future tasks and related resource requirements.

18. In response to an enquiry regarding the linkages between the functions of the office of the Special Adviser of the Secretary-General on Cyprus and UNFICYP, the Advisory Committee was informed that the two missions were distinct and separate and had different mandates. The principal task of UNFICYP was to prevent a

recurrence of fighting and promote a return to normal conditions, whereas the mandate of the good offices mission was to facilitate negotiations with a view to helping the parties reach a definitive settlement. The Committee was further informed that the two missions were integrated through the person of the Special Representative of the Secretary-General, who, as indicated above, also acted as Deputy Special Adviser.

19. In this connection, the Advisory Committee recalls its previous recommendation that the Secretary-General further review the structure of UNFICYP and the Secretary-General's good offices for Cyprus with a view to avoiding duplication of substantive and support functions and report thereon to the General Assembly (see A/63/746/Add.9, para. 25, and A/64/660/Add.5, para. 16). The Committee notes that the review was carried out in June 2010 and that it is attached to the budget document as annex III. **The Committee regrets that information on the review was not included in the narrative of the report and reiterates its view that, in mission areas where there is more than one United Nations entity, detailed information concerning coordination, synergies and shared support arrangements should be routinely provided in the relevant budget presentations.**

20. In his report on the proposed budget (A/65/706, para. 9), the Secretary-General indicates that, during the 2010/11 period, the organizational structure of UNFICYP was modified as a result of the establishment of a unified regional management structure for information and communications technology activities in the Middle East field missions (see A/64/660/Add.5, paras. 17-20, for background information on the initiative). The Communication and Information Technology Section has been redesignated Information and Communications Technology Services and now reports directly to the Chief of Mission Support (see A/65/706, annex II). Upon enquiry, the Advisory Committee was informed that the virtualization project, which, during the performance period, had led to a reduction in the number of servers from 17 to 16 (see A/65/625, expected accomplishment 4.1), was also part of the regional information and communications technology initiative. **The Committee welcomes the steps taken to strengthen the regional management of information and communications technology activities. The Committee also looks forward to receiving information on any further efficiencies and/or savings achieved as a result of that initiative in the next performance report.**

21. In paragraph 10 of the budget document, the Secretary-General indicates that, during the 2011/12 period, measures will be taken to mitigate the environmental impact of the Force by implementing an energy conservation pilot project in two camps (Roca and Szent István). The aim of the project, which will be rolled out to all UNFICYP locations in due course, is to demonstrate the effectiveness of a comprehensive effort to reduce power and water consumption. The Advisory Committee notes that efforts will focus on two areas: education and monitoring with a view to modifying behaviour; and the application of technologies to achieve savings. It is anticipated that the infrastructure of the camps will be renovated in order to achieve maximum efficiency through, inter alia, the use of power- and water-saving devices, the installation of timer switches on air conditioning units, maximizing the use of solar power and the introduction of ambient heat recovery systems. In the table under paragraph 24 of the budget document, efficiency gains as a result of the pilot project are estimated in the amount of $22,200. Upon enquiry, the Committee was informed that the impact of the pilot project would be assessed before any substantial financial investments were made. **The Committee welcomes**

UNFICYP's commitment to reducing power and water consumption and looks forward to receiving information about the outcome of the pilot project in the performance report for the 2011/12 period. The Committee trusts, however, that the efficiency gains anticipated as a result of the use of power- and water-saving technologies will not be diminished by the cost of their installation.

B. Resource requirements

22. The proposed budget for UNFICYP for the period from 1 July 2011 to 30 June 2012 amounts to $55,744,900, representing a decrease of $580,800, or 1.0 per cent, in comparison with the appropriation of $56,325,700 for 2010/11. The proposed budget provides for the deployment of 860 military contingent personnel, 69 United Nations police personnel, 39 international staff and 113 national staff. An analysis of variances is provided in section III of the proposed budget (A/65/706).

1. Military and police personnel

Category	*Approved 2010/11*	*Proposed 2011/12**	*Variance*
Military contingents	860	860	—
United Nations police	69	69	—

* A vacancy factor of 1 per cent has been applied to the cost estimates for military personnel.

23. The proposed budget for military and police personnel for the period from 1 July 2011 to 30 June 2012 amounts to $23,869,700, a decrease of $379,500, or 1.6 per cent, compared to the apportionment of $24,249,200 for 2010/11. The decrease is due mainly to the application of the United Nations rate of exchange of 0.761 euros to the United States dollar as compared with the exchange rate of 0.70 euros to the dollar used in the budget for 2010/11.

2. Civilian personnel

Category	*Approved 2010/11*	*Proposed 2011/12*	*Variance*
International staff	39	39	—
National staff	113	113	—

24. The proposed budget for civilian personnel for the period from 1 July 2011 to 30 June 2012 amounts to $14,786,300, a decrease of $896,300, or 5.7 per cent, compared to the apportionment for 2010/11. The proposed budget includes an amount of $192,000 for general temporary assistance. The vacancy factors applied to the cost estimates for civilian personnel are the same as those applied during the 2010/11 period, namely 5 per cent for international staff and 2 per cent for national staff.

25. The decrease in the requirements under international staff ($171,400, or 2.5 per cent) is attributable primarily to reduced common staff costs resulting from exchange rate fluctuations. Under national staff, the decrease of $724,900, or 8.3 per cent, is due mainly to the application of the exchange rate of 0.761 euros to the

United States dollar, as at 31 December 2010, as compared to the World Bank forecast of 0.70 euros to the dollar applied in the 2010/11 budget.

Recommendation on posts

26. The Secretary-General is proposing the following three redeployments for the 2011/12 period, all under component 4, support:

(a) Two national General Service posts, one Security Officer and one Fire Safety Officer, to be redeployed from the Engineering Section to the Security Section. According to the Secretary-General, this is in line with the decision taken by the Department of Field Support and the Department of Safety and Security that fire safety functions should be the responsibility of security sections (A/65/706, para. 19);

(b) One national General Service post of Senior Budget Assistant to be redeployed from the Finance Section to the Office of the Chief of Mission Support, so as to ensure that UNFICYP is in compliance with the policy applied in all peacekeeping missions that finance and budget functions should be separate (ibid., para. 20). **The Advisory Committee has no objection to the Secretary-General's proposals on the redeployment of the three national General Service posts.**

3. Operational costs

(United States dollars)

Apportionment 2010/11	*Proposed 2011/12*	*Variance*
16 393 900	17 088 900	695 000

27. Operational costs for the period from 1 July 2011 to 30 June 2012 are estimated at $17,088,900, reflecting an increase of $695,000, or 4.2 per cent, over the appropriation for 2010/11.

Consultants

28. The proposed budget for UNFICYP for the 2011/12 period includes estimated requirements of $19,100 for consultants. The budget for the preceding period did not make provision for this item. As indicated in paragraph 34 of the Secretary-General's report, the proposed resources relate to requirements for a consultant for a four-month period to assist in the completion of the UNFICYP environmental base study. Upon enquiry, the Advisory Committee was informed that the study had been commissioned in order to comply with the United Nations greening initiative. Its objectives were to determine historical baseline figures for all consumption and waste-generation activities, assess whether UNFICYP has had an environmental impact in the mission area over time, review and identify resource efficiency measures to reduce consumption and waste-generation and record new baseline figures in order to demonstrate the effectiveness of any new measures adopted.

Facilities and infrastructure

29. Estimated requirements for facilities and infrastructure for 2011/12 amount to $8,616,900, an increase of $421,400 (5.1 per cent) over the apportionment for 2010/11. The increase is attributable mainly to additional requirements for

maintenance services in accordance with the terms of the new contracts for catering, cleaning and waste management services, offset in part by reduced requirements for construction services and maintenance supplies.

30. The Advisory Committee notes from the supplementary information provided to it that the estimated requirements for maintenance services for the 2011/12 period have increased by $721,500, or 19.1 per cent, as compared to the requirements for the preceding period. Upon enquiry, the Committee was informed that, in accordance with a recommendation made by the Office of Internal Oversight Services that UNFICYP further review its supply contracts with a view to reducing their number and obtaining economies of scale, the Force was now using a single contractor for the provision of camp services instead of the nine separate contracts previously awarded. Given the Force's limited manpower, the consolidation was designed to allow for more effective contracts administration by the Supply Section. The Committee was further informed that the new contractual arrangements were more expensive for a variety of reasons, including an enlarged scope of work for the new camp services contract and the effects of inflation, particularly on labour costs.

31. With regard to construction activities, the Advisory Committee recalls its previous observations regarding the renovations at the Ledra Palace Hotel (sector 2 headquarters) and the San Martin Camp (sector 1) (see A/64/660/Add.5, paras. 31 and 32), and notes from section V.B of the budget document that both projects are still ongoing. Upon request, the Committee was provided with detailed information on progress achieved to date in both locations. At the San Martin Camp, all but 8 of the 120 troops stationed there were now accommodated in newly refurbished buildings or United Nations-owned hard-walled containers. Work still to be done included the installation of a new electrical substation and distribution system for the entire camp. At the Ledra Palace Hotel, which accommodated a total of 182 troops, 69 rooms had been refurbished. The mechanical plant room had been renovated, heaters had been installed in all rooms and air conditioning units would be operational in all sleeping areas by the summer of 2011. In addition, structural work involving the main parapet had been completed, fire doors had been installed throughout the building and new floors had been fitted in 49 rooms. However, the discovery of material containing asbestos in the main service shafts at the Hotel had caused significant delays, and the removal of all such material, as well as the renovation of a further 40 rooms, was still pending. During its consideration of the proposed budget for UNFICYP for the 2010/11 period, the Committee was informed that the renovation of the San Martin Camp was due to be completed in early 2011 and the renovation of the Ledra Palace Hotel was due to be completed in December 2011. **The Committee expects that, despite the unforeseen obstacles that have hindered progress at the Hotel, all renovation work will be completed by those dates.**

Training

32. The estimated requirements for training for 2011/12, described in paragraph 27 of the Secretary-General's report on the proposed budget, amount to $173,000. In the table following paragraph 28 of the report, the Secretary-General indicates that, during the budget period, it is proposed that a total of 176 staff, including 17 military and police personnel, will participate in internal and external training courses (some individuals will participate in more than one course over the budget period). The Advisory Committee notes from paragraph 29 of that report that the

UNFICYP training programme focuses primarily on strengthening the leadership skills of senior staff in the management of financial and human resources, information and communications technology and procurement and property management. Upon enquiry, the Committee was informed that, for some time, UNFICYP had been implementing a "train the trainer" policy, whereby senior staff passed the knowledge and skills that they had obtained from training courses on to their colleagues. **The Committee deals with the issue of training in peacekeeping missions in the context of its general report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/65/743).**

Other matters

Road safety

33. The Advisory Committee notes from the budget document that indicator of achievement 4.1.3 relates to a reduction in the number of traffic accidents involving UNFICYP vehicles (from 6 per month in 2009/10 to 5 per month in 2010/11 to an estimated 4 per month in 2011/12) (A/65/706, under component 4). Upon enquiry, the Committee was informed that UNFICYP had taken a series of measures designed to enhance road safety, including the full implementation of a road safety and awareness programme, the introduction of road safety notice boards in each sector in order to display information on accident trends, the holding of safe driving competitions for headquarters staff and contingents, additional driver training, adherence to strict controls on the number of driving permits issued and the implementation of island-wide speed and vehicle checks. In addition, military drivers found responsible for road traffic accidents had their permits revoked until additional training was given and a reassessment undertaken. **The Committee welcomes the measures taken by UNFICYP to improve road safety and encourages UNFICYP to share relevant lessons learned and best practices with other field missions.**

Demining activities

34. In paragraph 16 of his report on the proposed budget, the Secretary-General indicates that, during the budget period, UNFICYP will continue to provide support for the implementation of confidence-building measures such as mine clearance. Expected outputs in that regard include the maintenance of nine kilometres of minefield fencing and the removal of up to three kilometres of fencing once the minefields are cleared, as well as the provision of 160 demining assistance troop days for the safety of third-party demining teams and for security and liaison assistance (A/65/706, under component 2). **The Advisory Committee emphasizes the importance of UNFICYP support for the implementation of confidence-building measures such as demining and encourages it to pursue its efforts in this regard.**

Board of Auditors

35. In its report on the United Nations peacekeeping operations, the Board of Auditors noted a number of shortcomings in the results-based budgeting frameworks at UNFICYP, namely that some of the outputs listed were beyond the control of the mission; the mission's internal formal reporting was not aligned with its budget component or outputs, resulting in different information for management purposes

and reporting to the General Assembly; and there were no in-year monitoring reports on progress made as compared to the 2009/10 results-based framework (A/65/5 (Vol. II), chap. II, paras. 82, 86 and 91). Upon enquiry, the Advisory Committee was informed by UNFICYP that planned outputs and indicators of achievement were compiled in close cooperation with designated focal points, taking into account lessons learned from previous budget cycles. The Committee was also informed that UNFICYP made every effort to ensure that its internal formal reporting was aligned with the relevant budget component, and that it compiled a monthly status of budgetary allotment report, which was circulated to all section chiefs and contributed to the close and regular monitoring of budget allocation and planned achievements. In addition, the mission's progress towards the achievement of the objectives set out in its results-based budgeting frameworks was monitored through a "portfolio of evidence" document, which was submitted biannually by all stakeholders.

36. In paragraphs 288 and 289 of its report, the Board of Auditors recommended that UNFICYP be required to establish a comprehensive disaster recovery and business continuity plan, since business continuity arrangements did not cover all the key elements of its operations. In paragraph 290, the Board indicated that, according to the Department of Field Support, a mission-specific disaster recovery and business continuity plan was being developed at UNFICYP and would be tested by the first quarter of 2011. Upon enquiry, the Advisory Committee was informed that UNFICYP was in the process of establishing a working group, with the participation of the military, police, civil affairs and support components, with a view to developing the aforementioned plan. It was anticipated that the plan would be completed by 31 March 2011.

V. Conclusion

37. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2009 to 30 June 2010 are set out in paragraph 31 of the performance report (A/65/625). **The Advisory Committee recommends that the unencumbered balance of $1,114,000, as well as other income/adjustments in the amount of $1,374,300, be credited to Member States.**

38. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2011 to 30 June 2012 are set out in paragraph 41 of the proposed budget (A/65/706). **The Advisory Committee recommends that, should the Security Council decide to continue the mandate of UNFICYP beyond 15 June 2011, the Assembly appropriate an amount of $55,744,900 for the maintenance of UNFICYP for the 12-month period from 1 July 2011 to 30 June 2012.**

Documentation

- Performance report on the budget for the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2009 to 30 June 2010 (A/65/625)
- Budget for the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2011 to 30 June 2012 (A/65/706
- Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2010 (A/65/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Peacekeeping Force in Cyprus (A/64/660/Add.5)
- General Assembly resolution 63/290 on the financing of the United Nations Peacekeeping Force in Cyprus
- Security Council resolution 1953 (2010)

Annex

Current and projected expenditures of the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2010 to 30 June 2011

(Thousands of United States dollars)

	1 July 2010 to 31 January 2011			*Projected 1 February to 30 June 2011*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	—	—	—	—	—	—	—	
Military contingents	21 072.6	12 697.0	8 375.6	7 787.0	20 484.0	588.9	2.8	Reduced requirements due to lower than budgeted rotation costs achieved through local competitive bidding and less travel of personnel
United Nations police	3 176.6	2 982.1	194.5	52.0	3 034.0	142.5	4.5	Reduced requirements due to lower than budgeted rotation costs achieved through local competitive bidding
Formed police units	—	—	—	—	—	—	—	
Subtotal	**24 249.2**	**15 679.1**	**8 570.1**	**7 838.8**	**23 517.8**	**731.4**	**3.0**	
Civilian personnel								
International staff	6 795.9	3 854.5	2 941.4	2 829.0	6 683.0	112.5	1.7	Reduced requirements due to the delayed recruitment of the Spokesperson and the Chief Security Officer
National staff	8 694.7	4 448.2	4 246.5	4 310.0	8 759.0	(64.0)	(0.7)	Increased requirements due to the revision of national staff salaries
United Nations Volunteers	—	—	—	—	—	—	—	

	1 July 2010 to 31 January 2011			Projected 1 February to 30 June 2011				
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure, including projected	Estimated unencumbered balance as at 30 June 2011	Variance (percentage)	
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	Reasons for variance
General temporary assistance	192.0	132.4	59.6	67.0	200.0	(7.6)	(4.0)	Increased requirements due to urgent operational requirements
Subtotal	**15 682.6**	**8 435.2**	**7 247.4**	**7 206.5**	**15 641.7**	**40.9**	**0.3**	
Operational costs								
Government-provided personnel	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	—	—	—	—	—	—	—	
Official travel	425.2	140.8	284.4	140.0	281.0	144.4	33.9	Less need for travel than initially envisaged
Facilities and infrastructure	8 195.5	5 302.7	2 892.8	3 006.0	8 309.0	(113.4)	(1.4)	Higher costs for catering services as a result of a new contract for camp services (catering, cleaning, road sweeping and unskilled labour)
Ground transportation	3 338.7	4 053.0	(714.8)	215.0	4 269.0	(930.0)	(27.9)	Increased requirements due to increases in rental costs of vehicles owing to new contractual arrangements
Air transportation	1 836.4	1 800.0	36.0	48.0	1 848.0	(11.8)	(0.6)	
Naval transportation	—	—	—	—	—	—	—	
Communications	844.5	604.0	240.3	149.0	753.0	91.7	10.9	Lower actual requirements for commercial communications and the non-operation of the leased line to Valencia
Information technology	787.9	696.0	91.8	91.0	787.0	1.2	0.2	
Medical	372.6	176.0	196.9	155.0	330.0	42.3	11.3	Lower actual requirements for medical supplies
Special equipment	—	—	—	—	—	—	—	

	1 July 2010 to 31 January 2011			Projected 1 February to 30 June 2011				
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure, including projected	Estimated unencumbered balance as at 30 June 2011	Variance (percentage)	
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	Reasons for variance
Other supplies, services and equipment	593.1	288.0	. 305.1	290.0	579.0	14.6	2.5	
Quick-impact projects	—	—	—	—	—	—	—	
Subtotal	**16 393.9**	**13 061.4**	**3 332.5**	**4 093.5**	**17 155.0**	**(761.1)**	**(4.6)**	
Gross requirements	**56 325.7**	**37 175.6**	**19 150.1**	**19 138.8**	**56 314.5**	**11.2**	**—**	
Staff assessment income	2 555.7	1 465.4	1 090.3	—	1 465.0	1 090.3	42.7	
Net requirements	**53 770.0**	**35 710.2**	**18 059.8**	**19 138.8**	**54 849.1**	**(1 079.1)**	**(2.0)**	
Voluntary contributions in kind (budgeted)	1 830.6	150.2	1 680.4	—	150.0	1 680.4	91.8	
Total requirements	**58 156.3**	**37 325.8**	**20 830.5**	**19 138.8**	**56 464.7**	**1 691.6**	**—**	

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Agenda items 143 and 156 (a)

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations peacekeeping forces in the Middle East: United Nations Disengagement Observer Force

Financial performance report for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Disengagement Observer Force

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2009/10	$45,029,700
Expenditure for 2009/10	$45,029,600
Appropriation for 2010/11	$47,806,900
Projected expenditure for 2010/11	$47,806,900[a]
Estimated balance for 2010/11	—[a]
Proposal submitted by the Secretary-General for 2011/12	$49,561,700
Recommendation of the Advisory Committee for 2011/12	$49,561,700

[a] Estimate as at 31 January 2011 (see annex I).

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I. Introduction

1. **The Advisory Committee recommends approval of the Secretary-General's proposals for the United Nations Disengagement Observer Force (UNDOF) for the period from 1 July 2011 to 30 June 2012. The Committee has made observations and recommendations where appropriate in the paragraphs below.**

2. The general report of the Advisory Committee on the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/65/743) contains its views and recommendations on a number of cross-cutting issues. Consequently, in the present report, the Committee deals with resources and other items specifically relating to UNDOF.

3. In considering the Secretary-General's proposals for UNDOF for the period from 1 July 2011 to 30 June 2012, the Advisory Committee has taken into account the recommendations of the Board of Auditors related to the Force (A/65/5 (Vol. II), chap. 11) and has made specific comments thereon, where relevant, in paragraph 11 below. The Committee's report on the Board of Auditors report on the United Nations peacekeeping operations is contained in document A/65/782. **The Committee reiterates the need for expeditious implementation of the relevant recommendations of the Board of Auditors.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNDOF are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2009 to 30 June 2010

5. The Advisory Committee recalls that the General Assembly, in its resolution 63/297, appropriated an amount of $45,029,700 gross ($43,691,700 net) for the maintenance of UNDOF for the period from 1 July 2009 to 30 June 2010. Total expenditures for the period amounted to $45,029,600 gross ($43,585,200 net), which is $100 gross ($106,500 net) lower than the amount appropriated by the Assembly in resolution 63/297 (a budget implementation rate of 100 per cent). As shown in section III.A of the report of the Secretary-General on the budget of the Force (A/65/596), the underexpenditure is the net result of reduced requirements for operational costs ($514,700), offset by additional requirements for military and police personnel ($12,300) and civilian personnel ($502,300).

6. The underexpenditure of $514,700 for operational costs is mostly due to reduced requirements, as follows:

(a) Facilities and infrastructure ($516,000), mostly attributable to lower requirements for construction services owing to the reprioritization of resources to meet more critical operational requirements, lower costs related to the construction of accommodations for one of the positions and the cancellation of a project to construct a shelter at Camp Ziouani resulting from a revision in troop deployment and lower electricity consumption owing to the replacement of old equipment with more energy efficient, environmentally friendly equipment;

(b) Special equipment ($154,800), given the lower actual cost of night vision devices and the deferred replacement of mine detection equipment;

(c) Medical ($102,600), owing to a reduction in the requirements due to the decrease in the number of level-I clinics from 3 to 2 in connection with the repatriation of one contingent; more favourable charges for medical services by an alternative local medical facility; and reduced requirements for medical equipment as a result of the fact that medical equipment was transferred from the United Nations Mission in Nepal (UNMIN).

7. Underexpenditures for operational costs were offset by additional requirements of $408,600 incurred for ground transportation, owing to the increase in the cost of light vehicles under the systems contract and the increase in the cost of spare parts, repairs and maintenance of the vehicle fleet. Upon enquiry, the Advisory Committee was informed that the replacement of aged vehicles and vehicles with high mileage is considered a priority for UNDOF, given the change in the concept of operations to a more mobile force, which requires a reliable and dependable vehicle fleet to support the operational and mandated responsibilities related to day and night patrolling. In taking a decision for reprioritizing, a full and thorough analysis was conducted to ensure the ability to conduct programmed tasks efficiently without jeopardizing issues of personal safety.

8. The net underexpenditure for operational costs was also offset, in part, by an overexpenditure of $12,300 for military and police personnel, mostly attributable to additional requirements ($16,200) for military contingents resulting from an increase in the duration of the entitlements from 7 to 15 days, pursuant to General Assembly resolution 63/285; offset by a decrease in the requirements for death and disability compensation ($38,500), as only five claims were paid during the period.

9. In addition, the net underexpenditure was offset by an overexpenditure of $502,300 for civilian personnel, mostly attributable to the high turnover of international staff, which led to increased payments for the repatriation of 5 staff members and the deployment of 12 new staff; the inadvertent recording of salaries and related costs for a temporary position that was created to cover the function of the Chief of Mission Support, who was on extended medical leave; offset by unspent balances resulting from a higher vacancy rate for international staff during the reporting period (15 per cent compared to the budgeted rate of 10 per cent). Upon enquiry, the Advisory Committee was informed that the 5 staff members were repatriated on the basis of retirement, reassignment or resignation and that newly recruited staff are required to spend a minimum of 12 months at the mission before being eligible for reassignment. As to the temporary replacement for the Chief of Mission Support, the Committee was informed that the resources were inadvertently recorded under international staff, which is normally used for recording the costs associated with regular posts, instead of under general temporary assistance, as it should have been. If that had been the case, the overexpenditure would only have reflected the high turnover of staff. The Committee was also informed that, whenever possible, UNDOF attempts to fill vacancies promptly by selecting available candidates from the Field Central Review Body roster. If such candidates do not exist, an interview and selection process is undertaken using generic or mission-specific vacancy announcements in accordance with the recruitment guidelines issued by the Field Personnel Division.

10. A summary of budget implementation at the mission during the period is contained in paragraphs 7 to 9 of the Secretary-General's report (A/65/596). The extent to which actual progress was made against the expected accomplishments for the period is contained in section II.E of the same report. The report describes various initiatives undertaken during the reporting period, including: the replacement of old equipment (such as air conditioners, refrigerators and washing machines) with more energy-efficient, environmentally friendly equipment, which led to a reduction in electricity consumption; and the enforcement of monitoring and verification of the fuel log system, which led to a 5.8 per cent reduction in fuel consumption.

11. The Advisory Committee notes that the Board of Auditors, in its financial report and audited financial statement for the 12-month period from 1 July 2009 to 30 June 2010, referred to deficiencies by the mission in the recovery of long-outstanding accounts receivable balances and in the linkage between results-based-budgeting frameworks and the cost of outputs delivered (A/65/5 (Vol. II), chap. 11, paras. 37 (c) and 86). The Committee notes the responses provided by the administration in that report. The Committee was also informed, during its hearings, that the Controller is engaged in the recovery of the value added tax claims from the host country and that, since 2006, the issue has no longer been a problem. With regard to the accounts receivable balances, the Committee was further informed that the absence of clear linkage between budget and output was due to deficiencies in the cost-accounting system, which will be reviewed in the context of the introduction of the new enterprise resource planning (ERP) system.

12. Relevant comments of the Advisory Committee on the information in the performance report on individual objects of expenditure can be found in the discussion of the proposed budget for the period from 1 July 2011 to 30 June 2012 in the paragraphs below.

III. Financial position and information on performance for the current period

13. The Advisory Committee was informed that, as at 31 January 2011, a total of $1,653,673,000 had been assessed on Member States with respect to UNDOF since its inception. As at the same date, payments received amounted to $1,615,872,000, leaving an outstanding balance of $37,801,000. As at 7 February 2011, the mission had cash resources of $9,400,000; after allowing for a three-month operating cash reserve of $8,301,000, the remaining balance amounted to $1,099,000.

14. The Advisory Committee was informed that, as at 31 December 2010, an amount of $1,147,000 was owed for troop costs; payments totalling $14,840,000 had been made up to December 2010. The balance for contingent-owned equipment, as at 31 December 2010, amounted to $253,000; payments totalling $770,000 had been made up to September 2010. In respect of death and disability compensation, an amount of $4,000 had been paid for one claim; no unliquidated obligations or claims remained outstanding.

15. The Advisory Committee was informed that, as at 31 January 2011, the incumbency of UNDOF for the period from 1 July 2010 to 30 June 2011 was as follows:

Category	Authorized*	Encumbered	Vacancy rate (percentage)
Military contingents	1 047	1 047	—
International staff	48	42	12.5
National staff	108	104	3.7

* Represents the highest authorized strength.

16. The Advisory Committee was provided with a table on current and projected expenditures for the period from 1 July 2010 to 30 June 2011 (see annex I). As at 31 January 2011, current and projected expenditures for the entire financial period amount to $47,806,900 gross ($46,355,800 net) against an apportionment of $47,806,900 gross ($46,413,900 net). The Committee was informed that UNDOF would closely monitor any additional requirements for national salaries as a result of exchange rate fluctuations and fuel price increases within the budget apportionment in order to prioritize activities to the extent possible to meet unforeseen requirements.

IV. Proposed budget for the period from 1 July 2011 to 30 June 2012

A. Mandate and planned results

17. The mandate of UNDOF was established by the Security Council in its resolution 350 (1974). By its resolution 1965 (2010) of 22 December 2010, the Security Council decided to extend the mandate of UNDOF until 30 June 2011.

18. Planning assumptions and mission support initiatives for the 2011/12 UNDOF budget are explained in paragraphs 7 to 14 of the report of the Secretary-General (A/65/710). In that connection, the Advisory Committee notes that the mission will continue to fulfil its mandate of maintaining the ceasefire between the Israeli and Syrian forces and supervising their disengagement in the area of separation.

19. Information on regional mission cooperation is presented in paragraphs 15 and 16 of the budget document (A/65/710). As indicated, UNDOF continues to provide appropriate support to the United Nations Truce Supervision Organization (UNTSO) military observers under its operational control and to the UNTSO liaison office in Damascus. At the same time, UNDOF relies on shared support from the United Nations Interim Force in Lebanon (UNIFIL) for some of its logistical requirements. In paragraphs 18 through 20 of its previous report (A/64/660/Add.4), the Advisory Committee referred to the regional communications and information technology initiative to strengthen and formalize regional coordination of information and communications technology (ICT) services among the four peacekeeping missions physically located in close geographical proximity: UNIFIL, UNDOF, the United Nations Peacekeeping Force in Cyprus (UNFICYP) and UNTSO. The main goals of the initiative, which was launched in July 2010, were to eliminate duplication of efforts in the area of disaster recovery and business continuity, achieve economies of scale in human resources, training and equipment requirements and remove disparity of service provision across missions (see A/64/660, paras. 63-66).

20. Upon enquiry, the Advisory Committee was informed that major cost savings achieved during the first year of implementation related to reduced requirements for spare parts ($1,552,175 at the four missions) and for human resources (net savings of $1,640,996 related to the reduction of 17 posts across the four missions). In addition, the harmonized delivery of a common platform of services has provided an improved quality of service to the missions in the area and has led to the leveraging of new technological solutions to meet various operational requirements through common technology standards. For example, the interconnection of the data network of the four missions facilitates shared terrestrial connections and reduces reliance on multiple satellite connections; the provision of electronic and automated means for sending and receiving correspondence through a workflow application developed in the region should lead to the elimination of fax machines at all missions by the end of the current period; and a number of regional-specific application packages that are being centrally developed will allow the substantive offices of the missions to share information more readily and purposefully, with a focus on knowledge management practices. In addition, a governance board, in which the four regional Directors/Chief of Mission Support participate, has been created to oversee the implementation of a strategic regional ICT workplan and facilitate performance management.

21. The Advisory Committee was further informed that efficiency gains for 2011/12 would in large part relate to continued improvements in the delivery of ICT services and anticipated savings resulting from the continuation of the centralized supervision of overall requirements for spare parts, which are projected at $34,700 for information technology and $125,600 for communications. Other tangible benefits expected from the implementation of a coordinated and central approach to parallel mission administration in the event of crisis and/or evacuation include: the provision of off-site capability for regional data storage at UNFICYP; the establishment of a regional network control centre, in close coordination with the United Nations Logistics Base in Brindisi, Italy (UNLB), to ensure continuous network service availability and routine technical interface in the region; regional implementation of appropriate software to facilitate remote access for help desk diagnostics and repairs; and a centralized approach to project management, which should provide economies of scale. The Committee refers to the status of this initiative in greater detail in its general report on the administrative and budgetary aspects (A/65/743).

22. **The Advisory Committee continues to see merit in the strengthening of the regional coordination of ICT services. The Committee encourages the missions in the region to continue to explore the use of the ICT platforms developed to consolidate other administrative functions that work on those platforms.**

23. In its previous report on the performance and proposed budget of the mission, the Advisory Committee indicated that UNDOF was conducting a review with the aim of streamlining support services and looking at options to consolidate, collocate and coordinate those activities in order to achieve efficiencies and enhanced synergies across logistical areas, including fuel rations and general supplies, with military and civilian personnel working together (A/64/660/Add.4, para. 21). The Committee was informed that the review had been completed in December 2010 and that, as a result, UNDOF had moved components of the Logistics Battalion and the Medical and Geographical Information Systems (GIS) Units under Integrated Support Services (see annex II). Furthermore, working procedures are now being

revised to ensure the smooth functioning of the new structure, and new force requirements of the Logistics Battalion are being drafted. It was also indicated to the Committee that, on the basis of the mission-wide review, including a detailed troops-to-task analysis with assistance from the Office of the Military Adviser, UNDOF will make a proposal to the Department of Peacekeeping Operations for revised force requirements. **The Committee expects, therefore, that detailed information in this regard will be provided in the context of the next budget submission, as it may have an impact on the resource requirements proposed for 2012/13.**

B. Resource requirements

24. The proposed budget for UNDOF for the period from 1 July 2011 to 30 June 2012 amounts to $49,561,700 gross ($48,035,000 net), representing an increase of $1,754,800 in gross terms, or 3.7 per cent, compared with the apportionment of $47,806,900 for 2010/11. The budget provides for the deployment of 1,047 military personnel, 46 international staff and 110 national staff. The increase is mostly due to additional requirements for military and police personnel ($120,100), civilian personnel ($1,206,500) and operational costs ($428,200), which are summarized below.

25. **The Advisory Committee notes that the application of the United Nations operational exchange rates has had a substantial impact on the budget and expenditures of the mission (see para. 27 below). The Committee addresses this issue in the context of its consideration of the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/65/743).**

1. Military and police personnel

Category	*Approved 2010/11*	*Proposed 2011/12*	*Variance*
Military contingents	1 047	1 047	—

26. The estimated requirements for military personnel for the period 1 July 2011 to 30 June 2012 amount to $23,898,400, an increase of $120,100, or 0.5 per cent, compared to the apportionment for 2010/11. The increase is attributable mainly to: requirements for the provision of bottled water for troops in position and on patrol, as well as headquarters staff, which was budgeted erroneously in 2010/11 for a lower than actual troop strength (744 instead of 1,047 military personnel); the increase in the number of days of provision for military contingents (from 365 to 366 days); and the increase in the cost of contingent-owned equipment based on a signed memorandum of understanding. The Advisory Committee was informed that the oversight, while regretted, is being corrected in the context of the 2011/12 proposals.

2. Civilian personnel

Category	*Approved 2010/11*	*Proposed 2011/12*	*Variance*
International staff	48	46	(2)
National staff	108	110	2

Comments and recommendations on posts

27. The cost of the estimated requirements for civilian personnel for the period from 1 July 2011 to 30 June 2012 amount to $11,679,400, reflecting an increase of $1,206,500, or 11.5 per cent, in comparison with the apportionment for 2010/11. The increased cost is primarily related to additional requirements for international staff ($462,600), owing to the revision of common staff costs estimated at 78.6 per cent of net salaries and additional requirements for national staff ($742,900, or 42 per cent of the overall increase in resources proposed for 2011/12), resulting primarily from the application of the United Nations operational exchange rate (46.26 Syrian pounds to the United States dollar, as at 1 February 2011) instead of the World Bank exchange rate, which was applied to the cost estimates for 2010/11 (57.80 Syrian pounds to the United States dollar).

28. The staffing costs reflect the application of a delayed deployment factor of 12 per cent for international staff and 7 per cent for the national staff, compared to the rates of 11 per cent for international staff and 4 per cent for national staff included in the costs for 2010/11 (see also paras. 9 and 15 above).

29. A summary of all staffing changes proposed for UNDOF for the period from 1 July 2011 to 30 June 2012, including two conversions and one redeployment, is attached to the present report (see annex III) and discussed in paragraphs 30 and 31 below. A description of the changes is also provided in the budget report under the various components (A/65/710, paras. 21 and 22). An organization chart, reflecting the changes made following the review completed in December 2010 (see para. 23 above), is attached to the present report (see annex II).

Recommendation on posts

30. Two Field Service posts (a Finance Assistant post in the Finance Section and a Receiving and Inspection Assistant post in the General Services Section) are proposed for conversion to national General Service posts in the Mission Support Division, pursuant to the implementation by the Secretariat of the provisions on the harmonization of the conditions of service for staff in the field contained in General Assembly resolution 65/248 (A/65/710, para. 21). **The Advisory Committee has no objection to the two conversions proposed. The Committee's views and comments on the implementation of General Assembly resolution 65/248 are reflected in the context of its general report on the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/65/743).**

31. One national General Service post is proposed for redeployment, under the Office of the Chief of Mission Support, from the Personnel Section to the General Services Section, to carry out work in the Travel Unit (A/65/710, para. 22). The Advisory Committee notes that the transfer is proposed in line with guidelines issued by the Department of Peacekeeping Operations. **The Committee recommends acceptance of the redeployment proposed.**

3. Operational costs

(United States dollars)

Apportioned 2010/11	*Proposed 2011/12*	*Variance*
13 555 700	13 983 900	428 200

32. The estimated operational requirements for the period 2011/12 represent an increase of $428,200, or 3.2 per cent, compared to the apportionment for the period 2010/11. The major factors contributing to the variance are increases proposed in the requirements for facilities and infrastructure ($140,600), mostly owing to the increase in fuel market prices (from $0.50 per litre in 2010/11 to $0.63 per litre in 2011/12) and the planned replacement of obsolete fuel pumps following the installation of the fuel log system to monitor the Force's fuel consumption; ground transportation ($116,200), also owing to the increase in the market price of fuel; information technology ($86,700), owing primarily to the upgrading of the cable infrastructure at Camp Ziouani and the replacement of equipment that has reached the end of its useful life; medical ($24,700), in view of the increase in the requirements for self-sustainment to troop-contributing countries, given the consolidation of two level-I clinics at Camp Ziouani, and the replacement of obsolete medical equipment; and special equipment ($53,700), owing to the need to replace obsolete binoculars and night-vision devices and mine-clearing equipment. The proposed increases are offset by a reduction in the requirements for other supplies, services and equipment ($95,700), owing to the decrease in resources for replacement of audio/visual devices obtained in 2010/11. **The Advisory Committee encourages UNDOF to continue to seek opportunities for outsourcing.**

33. The Advisory Committee notes that the proposed cost estimates for 2011/12 take into account efficiency gains expected as a result of the reduced need for spare parts and supplies for ICT equipment ($160,300) owing to the introduction of the new coordinated regional ICT structure (see paras. 19-22 above). Reductions are also expected in: fuel consumption ($63,400) as a result of the implementation of the fuel log system; requirements for generator fuel ($122,200), owing to the connection of military positions to local electric power grids; and the acquisition of equipment ($40,000), as a result of the decision to lease photocopiers rather than buying them. **The Committee encourages UNDOF to pursue further efficiency gains.**

Other matters

34. The Advisory Committee notes that in the results-based-budgeting framework for component 2 (support) of the mission, expected accomplishment 2.1 (the efficient and effective logistical, administrative and security support of the Force) includes, as an indicator of achievement for 2011/12, the reduction in the number of vehicles to be written off due to accidents as zero (compared to 5 vehicles for 2010/11 and 16 for 2009/10) (see A/65/710, indicator 2.1.2). The planned indicator used in previous years referred to a reduction in the number of accidents with damage to a vehicle of more than $500. The Committee was informed that the change was made in order to reflect a more realistic threshold. **The Committee is not convinced that this change will allow for better monitoring and recommends the retention of the previous indicator of achievement.**

V. Conclusion

35. The actions to be taken by the General Assembly in connection with the financing of UNDOF for the period from 1 July 2009 to 30 June 2010 are indicated in paragraph 25 of the performance report (A/65/596). **The Advisory Committee recommends that the unencumbered balance of $100 for the period from 1 July 2009 to 30 June 2010, as well as other income/adjustments in the amount of $852,400, for the period ended 30 June 2010, be credited to Member States.**

36. The actions to be taken by the General Assembly in connection with the financing of UNDOF for the period from 1 July 2011 to 30 June 2012 are indicated in paragraph 42 of the proposed budget (A/65/710). **The Advisory Committee recommends that the General Assembly appropriate an amount of $49,561,700 for the maintenance of UNDOF for the 12-month period from 1 July 2011 to 30 June 2012, should the Security Council decide to extend the mandate of the mission beyond 30 June 2011.**

Documentation

- Performance report on the budget of the United Nations Disengagement Observer Force for the period from 1 July 2009 to 30 June 2010 (A/65/596)
- Budget for the United Nations Disengagement Observer Force for the period from 1 July 2011 to 30 June 2012 (A/65/710)
- Report of the Secretary-General on the United Nations Disengagement Observer Force for the period from 1 July to 31 December 2010 (S/2010/607)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Disengagement Observer Force (A/64/660/Add.4)
- Security Council resolution 1965 (2010)
- General Assembly resolutions 63/297 and 64/281 on the financing of the United Nations Disengagement Observer Force

Annex I

Current and projected expenditures for the United Nations Disengagement Observer Force for the period from 1 July 2010 to 30 June 2011

(Thousands of United States dollars)

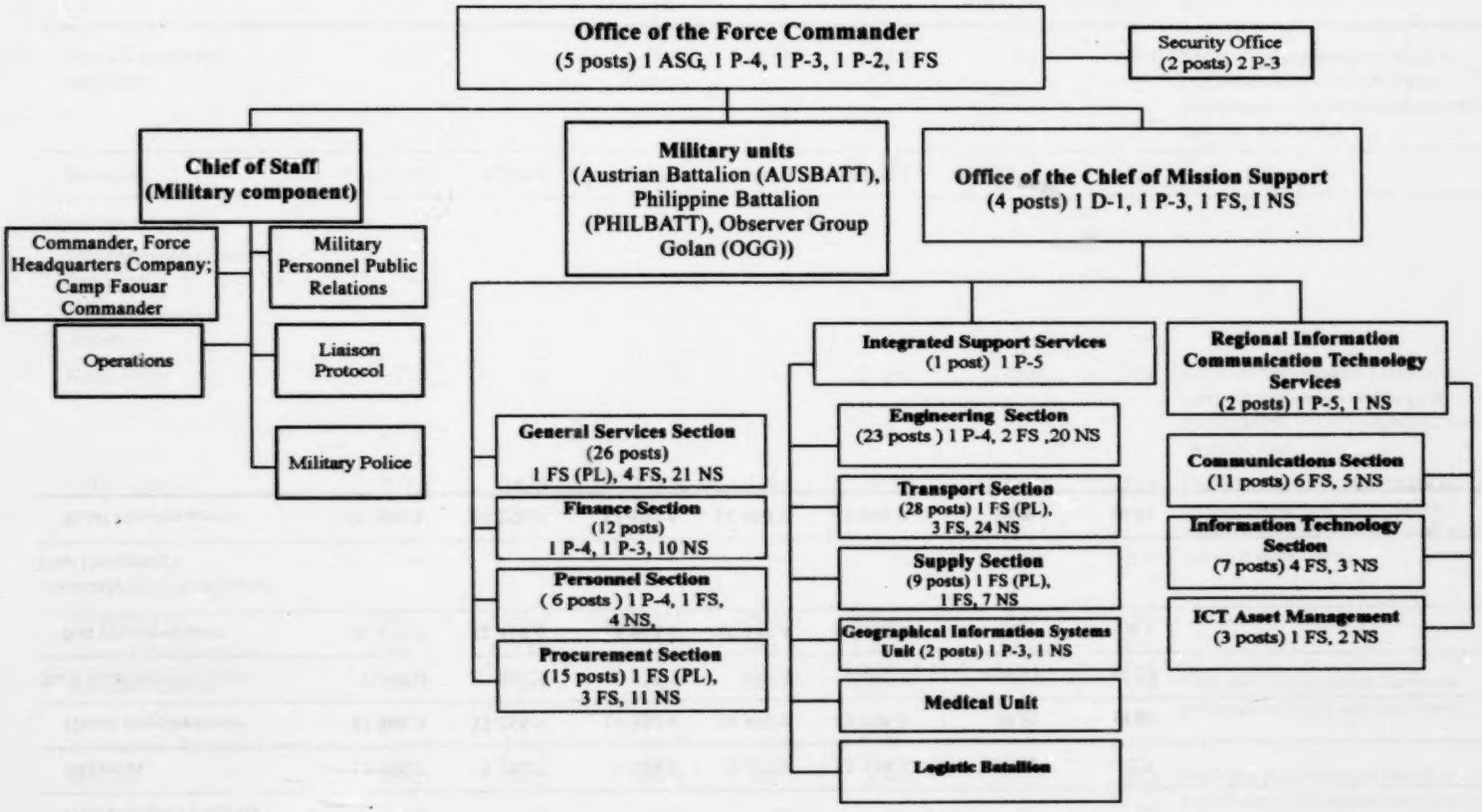
	1 July 2010 to 31 January 2011			Projected 1 February to 30 June 2011				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	—	—	—	—	—	—	—	
Military contingents	23 778.3	19 191.4	4 586.9	4 443.9	23 635.3	143.0	0.6	Reduced requirements owing to delayed deployment rate of 0.3% compared to the budgeted 0%
United Nations police	—	—	—	—	—	—	—	
Formed police units	—	—	—	—	—	—	—	
Subtotal	**23 778.3**	**19 191.4**	**4 586.9**	**4 443.9**	**23 635.3**	**143.0**	**0.6**	
Civilian personnel								
International staff	7 608.4	4 441.6	3 166.8	3 272.4	7 714.0	(105.6)	(1.4)	The projected increase is attributable to the revision of international salary scales with effect from 1 January 2011 and a projected improvement in the incumbency compared to the 11% budgeted
National staff	2 824.5	1 837.9	986.6	1 401.9	3 239.7	(415.2)	(14.7)	The projected increase is attributable to the average exchange rate of 46 Syrian pounds to the United States dollar compared to the approved exchange rate of 57.8 Syrian pounds to the United States dollar
United Nations Volunteers	—	—	—	—	—	—	—	

	1 July 2010 to 31 January 2011			Projected 1 February to 30 June 2011				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
General temporary assistance	40.0	19.4	20.6	14.0	33.4	6.6	16.6	Reduced requirements owing to reprioritization to meet urgent requirements for international and national staff costs
Subtotal	**10 472.9**	**6 298.8**	**4 174.1**	**4 688.3**	**10 987.1**	**(514.2)**	**(4.9)**	
Operational costs								
Government-provided personnel	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	21.2	3.2	18.0	2.4	5.6	15.6	73.5	Reduced requirements owing to reprioritization to meet urgent requirements for international and national staff costs
Official travel	407.4	187.4	220.0	120.0	307.4	100.0	24.6	Reduced requirements owing to reprioritization to meet urgent requirements for international and national staff costs
Facilities and infrastructure	6 057.4	3 550.3	2 507.1	2 462.0	6 012.3	45.1	0.7	
Ground transportation	3 681.9	2 214.4	1 467.5	1 483.3	3 697.7	(15.8)	(0.4)	
Communications	1 296.5	739.5	557.0	481.9	1 221.5	75.0	5.8	Reduced requirements for spare parts and reduced staffing needs
Information technology	755.1	593.2	161.9	161.9	755.1	—	—	
Medical	436.1	152.9	283.2	181.5	334.5	101.6	23.3	Reduced requirements based on actual costs of medical services
Special equipment	204.9	47.5	157.4	137.6	185.1	19.8	9.6	
Other supplies, services and equipment	695.2	278.2	417.0	387.2	665.3	29.9	4.3	

	1 July 2010 to 31 January 2011			Projected 1 February to 30 June 2011				
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure, including projected	Estimated unencumbered balance as at 30 June 2011	Variance (percentage)	Reasons for variance
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	
Quick-impact projects	—	—	—	—	—	—	—	
Subtotal	**13 555.7**	**7 766.7**	**5 789.0**	**5 417.9**	**13 184.5**	**371.2**	**2.7**	
Gross requirements	**47 806.9**	**33 256.9**	**14 550.0**	**14 550.0**	**47 806.9**	**(0.0)**	**(0.0)**	
Staff assessment income	1 393.0	846.5	546.5	604.6	1 451.1	(58.1)	(4.2)	
Net requirements	**46 413.9**	**32 410.4**	**14 003.5**	**13 945.4**	**46 355.8**	**58.1**	**0.1**	
Voluntary contributions in kind (budgeted)	—	—	—	—	—	0.0	0.0	
Total requirements	**47 806.9**	**33 256.9**	**14 550.0**	**14 550.0**	**47 806.9**	**(0.0)**	**(0.0)**	

Annex II

Organization chart of the United Nations Disengagement Observer Force: 1 July 2011 to 30 June 2012


Office of the Force Commander
(5 posts) 1 ASG, 1 P-4, 1 P-3, 1 P-2, 1 FS
Security Office
(2 posts) 2 P-3
Chief of Staff
(Military component)
Commander, Force Headquarters Company; Camp Faouar Commander
Operations
Military Personnel Public Relations
Liaison Protocol
Military Police
Military units
(Austrian Battalion (AUSBATT), Philippine Battalion (PHILBATT), Observer Group Golan (OGG))
Office of the Chief of Mission Support
(4 posts) 1 D-1, 1 P-3, 1 FS, I NS
General Services Section
(26 posts)
1 FS (PL), 4 FS, 21 NS
Finance Section
(12 posts)
1 P-4, 1 P-3, 10 NS
Personnel Section
(6 posts) 1 P-4, 1 FS, 4 NS,
Procurement Section
(15 posts) 1 FS (PL), 3 FS, 11 NS
Integrated Support Services
(1 post) 1 P-5
Engineering Section
(23 posts) 1 P-4, 2 FS ,20 NS
Transport Section
(28 posts) 1 FS (PL), 3 FS, 24 NS
Supply Section
(9 posts) 1 FS (PL), 1 FS, 7 NS
Geographical Information Systems Unit (2 posts) 1 P-3, 1 NS
Medical Unit
Logistic Batallion
Regional Information Communication Technology Services
(2 posts) 1 P-5, 1 NS
Communications Section
(11 posts) 6 FS, 5 NS
Information Technology Section
(7 posts) 4 FS, 3 NS
ICT Asset Management
(3 posts) 1 FS, 2 NS

Abbreviations: ASG, Assistant Secretary-General; FS, Field Service; NS, national General Service; PL, Principal level; ICT, Information and Communications Technology.

Annex III

Summary of the staffing changes proposed for the United Nations Disengagement Observer Force for the period from 1 July 2011 to 30 June 2012

Office/Section/Unit	*Number*	*Level*	*Description*	*Status*
Component 2: Support				
Finance Section	-1	FS	Finance Assistant	Conversion within Finance Section
	+1	NGS	Finance Assistant	Conversion within Finance Section
Subtotal	—			
Personnel Section	-1	NGS	HR Assistant	Redeployed to the General Services Section
Subtotal	-1			
General Services Section	+1	NGS	Office Assistant	Redeployed from the Personnel Section
	-1	FS	Receiving and Inspection Assistant	Conversion within the General Services Section
	+1	NGS	Receiving and Inspection Assistant	Conversion within the General Services Section
Subtotal	+1			
Total				
International	-2			
National	+2			
Total	—			

Abbreviations: NGS, national General Service; FS, Field Service.

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Interim Administration Mission in Kosovo

Financial performance report for the period 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 for the United Nations Interim Administration Mission in Kosovo

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2009/10	$46,809,000
Expenditure for 2009/10	$46,660,400
Unencumbered balance for 2009/10	$148,600
Appropriation for 2010/11	$47,874,000
Projected expenditure 2010/11[a]	$46,366,000
Estimated unencumbered balance for 2010/11[a]	$1,508,000
Proposal submitted by the Secretary-General for 2011/12	$44,914,800
Recommendation of the Advisory Committee for 2011/12	$44,914,800

[a] Estimates as at 31 January 2011 (see annex I).

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I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends approval of the Secretary-General's proposals for the United Nations Interim Administration Mission in Kosovo (UNMIK) for the period from 1 July 2011 to 30 June 2012 (A/65/711). The Committee has made recommendations and observations, where appropriate, in the paragraphs below.**

2. The general report of the Advisory Committee on the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/65/743) contains its views and recommendations on a number of cross-cutting issues. In the present report, the Committee deals with resources and other items that relate specifically to UNMIK.

3. In considering the Secretary-General's proposals for UNMIK for the period from 1 July 2011 to 30 June 2012, the Advisory Committee has taken into account the recommendations of the Board of Auditors related to the Mission (see A/65/5 (Vol. II), chap. II) and has made specific comments thereon in paragraphs 45 and 46 below. The report of the Committee on the Board's report on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2010 is contained in document A/65/782. **The Committee reiterates the need for the expeditious implementation of the relevant recommendations of the Board of Auditors.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNMIK are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2009 to 30 June 2010

5. In its resolution 63/295, the General Assembly appropriated an amount of $46,809,000 gross ($42,816,600 net) for the maintenance of the Mission for the period from 1 July 2009 to 30 June 2010. Expenditures for the period totalled $46,660,400 gross ($41,613,700 net). The resulting unencumbered balance of $148,600, in gross terms, represents 0.3 per cent of the appropriation. An analysis of variances is provided in section IV of the performance report for the period from 1 July 2009 to 30 June 2010 (A/65/621).

6. The Advisory Committee was informed that the main reason for the variances was the 4.9 per cent appreciation of the euro against the United States dollar during 2009/10 as compared with the budgeted exchange rate, resulting in the increased expenditures for euro-denominated disbursements. As indicated in the performance report, the most significant variances, as compared with the approved budget, were realized in three expenditure classes, namely, national staff, facilities and infrastructure and communications (A/65/621, para. 15).

7. The increased requirements for national staff ($3,139,400) were mainly attributable to (a) an increment of 14.2 per cent in the salary scale; (b) the lower than budgeted vacancy rate of 4.8 per cent as compared to 10 per cent; (c) an average of 4.9 per cent appreciation of the euro against the United States dollar; and

(d) the higher than budgeted actual average grade level for national General Service staff.

8. The additional requirements for national staff were partially offset by lower requirements under facilities and infrastructures ($2,262,000) as a result of the cancellation of maintenance contracts and the postponement of renovation services, as well as under communications ($673,200) owing to the replacement of support services by external contractors with the Mission personnel and lower than budgeted requirements for commercial communications services. Summary information on the redeployment of funds across the three categories for military and police personnel, civilian personnel and operational costs is provided in section III.B of the performance report.

9. The comments of the Advisory Committee on the information presented in the performance report (A/65/621) on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2011 to 30 June 2012 (A/65/711) in section IV.B below.

III. Information on performance for the current period

10. The Advisory Committee was informed that, as at 8 February 2011, a total of $2,811,259,000 had been assessed on Member States in respect of UNMIK since its inception. Payments received as at the same date amounted to $2,772,119,000, leaving an outstanding balance of $39,140,000. **The Committee notes with concern that the cash position of the Mission was $1,300,000 as at 7 February 2011, which, as was the case in the previous year (see A/64/660/Add.6, para. 13), does not cover the three-month operating cash reserve of $11,969,000 (a shortfall of $10,669,000).**

11. The Advisory Committee was informed that, as at 31 December 2010, contingent-owned equipment was paid in full and that there were no pending death and disability claims.

12. The Advisory Committee was informed that, as at 31 January 2011, the incumbency for UNMIK for the period from 1 July 2010 to 30 June 2011 was as follows:

	Authorized[a]	*Encumbered*	*Vacancy rate (percentage)*
Military and police personnel			
Military observers	8	8	—
United Nations police	8	7	12.5
Civilian personnel			
International staff	166	146	12
National staff	240	233	2.9
General temporary assistance			
National positions	1	1	—
United Nations Volunteers	28	24	14.3

[a] Represents the highest authorized strength for the period.

13. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2010 to 30 June 2011, with reasons for variances (see annex I). Expenditures for the period as at 31 January 2011 amounted to $27,441,000. At the end of the current financial period, the estimated total expenditures would amount to $46,366,000 against the appropriation of $47,874,000, leaving a projected unencumbered balance of $1,508,000.

IV. Proposed budget for the period from 1 July 2011 to 30 June 2012

A. Mandate and planned results

14. The mandate of UNMIK was established by the Security Council in its resolution 1244 (1999). The mandate, planned results, planning assumptions and mission support initiatives are explained in paragraphs 2 to 15 of the proposed budget (A/65/711). The Secretary-General indicates that UNMIK had a new configuration during 2009/10, following a period during which the profile and size of the Mission had been downsized and adjusted in 2008/09, as described in paragraph 8 of the performance report (A/65/621). The Mission has thus transitioned from an executive role to a more political role (A/65/711, para. 24).

15. In some instances, the changed circumstances on the ground affected the Mission's success in fulfilling the planned indicators of achievement set out in the results-based-budgeting frameworks for 2009/10, such as its ability to directly influence or evaluate progress on the opening of customs checkpoints or the signing of protocols on the rule of law (A/65/621, para. 13). The Mission has, therefore, revised its results-based-budgeting frameworks for 2011/12 to reflect its evolving role and to provide an accurate measure of its progress in achieving its objectives (A/65/621, para. 13, and A/65/711, para. 10).

16. In his report to the Security Council of 28 January 2011, the Secretary-General informed the Council that the start of the European Union-facilitated dialogue between representatives of Belgrade and Pristina, which was welcomed by the General Assembly in its resolution 64/298, had been delayed as a result of events that took place in Kosovo in late 2010 (see S/2011/43, paras. 3 and 15). UNMIK indicates that it is prepared to support the dialogue process by sharing its institutional memory and expertise on issues that might be discussed and to further broaden its engagement with the European Union facilitators once the talks begin. The Advisory Committee notes that, from the proposed budget that during the current preparatory stage of the process, it is not possible to predict the impact of the dialogue on the Mission's activities for 2011/12 and therefore, the impact of the process is not directly reflected in the results-based-budgeting frameworks in the proposed budget (A/65/711, para. 11). **The Committee expects that once the dialogue starts, the Mission will provide the intended support to the process and reflect it accordingly in its results-based-budgeting frameworks.**

17. Information with respect to partnerships, country team coordination and integrated missions is provided in paragraphs 16 and 17 of the Secretary-General's report on the proposed budget. UNMIK will continue to work with the European Union Rule of Law Mission in Kosovo (EULEX), the Organization for Security and Cooperation in Europe (OSCE) and the Kosovo Force, which are responsible in the

areas of the rule of law, institution-building and security and stability, respectively. The Advisory Committee was informed that, during 2009/10, UNMIK and the United Nations Kosovo team drafted a joint United Nations strategic framework for Kosovo as part of the integrated mission planning process, and that OSCE had joined in the implementation of the framework. The framework focuses on (a) promoting inclusiveness in multi-ethnic municipalities; (b) promoting access for returnees to effective structures and mechanisms that ensure sustainable returns and reintegration; (c) monitoring human rights and gender equality compliance by Kosovo authorities and international institutions present in Kosovo and providing support to Kosovo's engagement with treaty bodies; and (d) harmonizing the United Nations activities in Mitrovica (A/65/711, para. 16).

18. UNMIK will continue to maintain its headquarters in Pristina and field offices in Mitrovica and Peć, its office in Skopje to liaise with local and regional authorities for the transit and delivery of goods to the Mission, as well as another office in Belgrade that plays a political and diplomatic role (A/65/711, para. 5). Organization charts of the Mission are contained in annex II of the proposed budget.

B. Resource requirements

19. The proposed budget for UNMIK for the period from 1 July 2011 to 30 June 2012 amounts to $44,914,800, representing a decrease of $2,959,600, or 6.2 per cent, in gross terms compared with the appropriation of $47,874,400 for 2010/11. It provides for the planned deployment of 8 military observers, 8 United Nations police officers, 162 international staff, 222 national staff and 28 United Nations Volunteers.

20. The main factor in the lower resource requirements for 2011/12 is the application of the United Nations operational rate of exchange as of December 2010, which represents an appreciation of the United States dollar of 9.1 per cent against the euro as compared to the budget for 2010/11, thus resulting in potentially reduced expenditures for disbursements in the euro. An analysis of variances is provided in section III of the proposed budget (A/65/711).

21. In this connection, the Advisory Committee notes that, while the 4.9 per cent appreciation of the euro against the United States dollar resulted in the increased expenditures for euro-denominated disbursements for 2009/10 (see para. 6 above), an appreciation of the United States dollar of 9.1 per cent against euro has lowered the currently estimated requirements in the proposed budget for 2011/12 (see para. 20 above). **The Committee notes that the application of the operational exchange rates has had a substantial impact on the budget and expenditures of the Mission. The Committee addresses this issue in more detail in the context of its consideration of the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/65/743).**

1. Military and police personnel

Category	*Approved 2010/11*[a]	*Proposed 2011/12*	*Variance*
Military observers	8	8	—
United Nations police	8	8	—

[a] Represents the highest authorized strength for the period.

22. The estimated requirements for military and police personnel for the period from 1 July 2011 to 30 June 2012 amount to $731,300, a decrease of $73,400, or 9.1 per cent, compared with the appropriation for 2010/11.

23. The proposed decrease for 2011/12 is mainly attributable to:

(a) Lower requirements for mission subsistence allowance due to the appreciation of the United States dollar against the euro (see para. 20 above);

(b) Reduced cost of rotation based on lower actual expenditures incurred in 2009/10 as compared with the budget for 2010/11.

The lower requirements are partially offset by the application of a zero per cent vacancy rate for 2011/12, based on the actual incumbency, as compared with the 2 per cent vacancy rate budgeted for prior periods.

2. Civilian personnel

Category	*Approved 2010/11*	*Proposed 2011/12*	*Variance*
International staff	166	162	(4)
National staff	240	221	(19)
Temporary positions	1	1	—
United Nations Volunteers	28	28	—
Total	**435**	**412**	**(23)**

24. The estimated requirements for civilian personnel for 2011/12 amount to $35,189,000, a decrease of $461,700, or 1.3 per cent, compared with the appropriation for 2010/11. The cost estimates for civilian staff reflects vacancy factors of 12 per cent for international staff, 10 per cent for National Officers, 1 per cent for national General Service staff and 8 per cent for United Nations Volunteers. Justifications for the vacancy rates proposed are explained in paragraph 59 of the proposed budget.

25. The decreased requirements are related mainly to:

(a) A reduction of 4 international posts, including the proposed conversion of 2 posts to National Officer posts and abolition of 2 Field Service posts;

(b) A net reduction of 19 national staff posts (see annex II and para. 37 below);

(c) Reduced overall requirements for national staff primarily attributable to the appreciation of the United States dollar against the euro (see also para. 20 above).

26. The lower requirements are partially offset by increased common staff costs for international staff, pursuant to General Assembly resolution 65/248 on the harmonization of conditions of service of staff of the organizations of the United Nations common system serving at non-family duty stations, effective 1 July 2011, including an additional hardship allowance at non-family duty stations and payments for rest and recuperation travel. **The views and comments of the Advisory Committee on the implementation of General Assembly resolution 65/248 will be reflected in the context of its general report on the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/65/743).**

Organizational structure

27. It is indicated in the proposed budget that the organizational structure of the Mission will, on the whole, remain the same, albeit with a few adjustments (A/65/711, para. 13):

(a) Incorporation of the Office of the Chief of Staff into the office of the Special Representative of the Secretary-General in order to provide more flexibility within the executive direction and management;

(b) Amalgamation of the Engineering, Supply and Transport Sections into a new Logistics Section, as a result of outsourcing of functions in line with the mission support plan (see paras. 36 to 40 below);

(c) Amalgamation of the Movement Control Unit into the Travel and Visa Unit following the significant reduction in assets upon completion of the disposal of surplus assets resulting from the reconfiguration and downsizing of the Mission in 2008/09.

28. **The Advisory Committee expects that the planned outsourcing of functions and the related reduction in posts will not adversely impact on the fulfilment of the mandate of the Mission.**

Recommendations on posts

29. A summary of the proposed changes in staffing is presented in annex II to the present report. A detailed description of the changes proposed under each component is provided in the proposed budget (A/65/711). As indicated in the table under paragraph 23 above, the proposed staffing level represents a decrease of 23 posts. **The Advisory Committee recommends approval of the staffing changes proposed by the Secretary-General.**

30. The establishment of one P-5 post and the abolishment of one P-3 post in the Office of the Spokesperson and Public Information are proposed in the budget report (A/65/711, paras. 37 and 38). As indicated in the proposed budget, during the reconfiguration of the Mission, the post of Director of Public Information/Spokesperson was abolished as it was believed that UNMIK's public profile and the relations of the Special Representative with the media would be significantly curtailed. This has not, however, been the case. As the political situation has increased in complexity, the work of protecting the Mission's image and managing its public profile has become more challenging. It is therefore proposed that a post of Spokesperson be established at the P-5 level. The proposed abolishment of the P-3 post for Public Information Officer is a result of the

decreased field presence and activities. The Secretary-General indicates that the abolishment will not impact the ability of the Office to carry out its responsibilities, provided that the proposed P-5 post for the Spokesperson is established. **Based on the justifications provided by the Secretary-General, the Advisory Committee has no objection to the proposed staffing changes in the Office of the Spokesperson and Public Information.**

31. The reassignment of three posts (1 D-2, 1 D-1 and 1 P-5) is proposed in order to fulfil required functions without the establishment of new posts (see para. 32 below). The Secretary-General indicates that, following the reconfiguration of the Mission, the functions of the Deputy Special Representative of the Secretary-General and the Chief of Staff were combined into the D-2 post of Chief of Staff, based on the consideration that the Mission's profile and functions would be significantly curtailed. However, time has shown that the Mission still performs a vital political role and that the political issues requiring senior decision-making input have multiplied. It has therefore become apparent that the two functions should be separated in order to provide the Special Representative of the Secretary-General with full political support (A/65/711, para. 20).

32. While detailed justifications for the proposed reassignments are provided in paragraphs 20 to 23 of the budget report, a summary of the proposal is provided below:

(a) The D-2 post of Chief of Staff will be reassigned, within the same office, to the post of Deputy Special Representative of the Secretary-General, the position will be focused entirely on political responsibilities;

(b) The D-1 post of Chief Military Liaison Officer will be reassigned from the Military Liaison Office to the Office of the Special Representative of Secretary-General, as Chief of Staff in order to provide assistance in the day-to-day management of the Mission;

(c) The P-5 post of Deputy Chief of Staff will no longer be needed when the roles of the Deputy Special Representative of the Secretary-General and the Chief of Staff are separated; the P-5 post will be reassigned to the Military Liaison Office as that of Chief Military Liaison Officer.

The Advisory Committee has no objection to the proposed reassignment of the three posts.

3. Operational costs

Apportionment 2010/11	*Proposed 2011/12*	*Variance*
$11 419 000	$8 994 500	($2 424 500)

33. The estimated operational requirements for 2011/12 amount to $8,994,500, a decrease of $2,424,500, or 21.2 per cent, compared with the appropriation for 2010/11.

34. The decrease is attributable mainly to lower requirements under:

(a) Ground transportation ($1,058,400): non-replacement of vehicles in 2011/12 as compared to the provision for the replacement of 36 aged vehicles in 2010/11;

(b) Communications ($627,100): fewer replacements of obsolete equipment and spare parts due to replacement of a large part of the communications infrastructure in 2010/11;

(c) Facilities and infrastructure ($323,600): mainly attributable to the application of the United Nations operational rate of exchange as of December 2010, which represents an appreciation of the United States dollar of 9.1 per cent against the euro as compared to the budget for 2010/11, and reduced alteration and renovation services following the implementation of major refurbishment projects in 2010/11.

35. The reduced requirements are partially offset by higher requirements under:

(a) Facilities and infrastructure: construction services ($171,600) for the construction of a new entrance area to the headquarters compound in Pristina as part of the mission support plan to accommodate the consolidation of the residual logistics functions within the compound, and rental of premises ($141,700) for the commercial rental, following the recognition of ownership of part of the headquarters location in which Pristina, which was a socially owned enterprise, and the relocation of the office in Mitrovica (see para. 39 (c) below);

(b) Ground transportation: repairs and maintenance ($248,500) for the cost of outsourcing vehicle maintenance in line with the mission support plan (see para. 38 below).

Mission support plan

36. The Advisory Committee recalls that in the context of its review of the proposed UNMIK budget for 2010/11, it was informed that following a review of the Mission's support strategy, a plan had been launched to reduce support costs. The plan was expected to be implemented in four phases from January 2010 to July 2011 (A/64/660/Add.6, paras. 30 and 31). As indicated in the performance report, the plan was based on a new support concept where by UNMIK would outsource selected support services by utilizing the commercial market within the mission area (A/65/621, para. 16). Details of the implementation of the first two phases of the plan, from January to June 2010, are provided in paragraphs 17 and 18 of the performance report. Upon enquiry, the Advisory Committee was informed that phase 3 of the plan had been completed on schedule by January 2011.

37. The Advisory Committee notes from the performance report and the budget report (A/65/621, para. 17, and A/65/711, para. 12) that, while 29 support posts were identified for abolishment and 30 entry control security posts for outsourcing, during phase 1, a reduction of 22 support posts is envisaged for 2011/12 with the implementation of the support plan, including 13 posts that are to be abolished as the result of the proposed outsourcing under the support component, as described in paragraph 38 below.

38. The Advisory Committee enquired about the planned areas of outsourcing and their potential impact on financial and human resources for the period 2011/12. The Committee was informed that the planned outsourcing would render an expected cost reduction of $556,800, reflecting a reduction of 13 posts ($362,930) and the vacating of the logistics compound ($564,000); to be offset by additional annual cost for the engineering contract ($111,650) and the transport maintenance contract ($258,480).

39. The Advisory Committee was further informed that a new phase 5 of the mission support plan had been considered for implementation after the completion of phase 4. Upon enquiry, the Committee was informed that the proposed phase 5 would include:

(a) Modernization of the communications and information technology infrastructure and local outsourcing of services: it is expected that the initiative would significantly reduce the size of the Mission's infrastructure while improving performance in line with the latest commercial standards. This could result in a reduction of 5 to 10 per cent of related posts and the savings would be reflected in the proposed budget for 2012/13;

(b) Provision of specialist medical capability: the mission has provided level-2 medical care to staff through the use of short-term individual contractors, including laboratory, radiology, cardiology and gynaecology services, pending the establishment of a permanent level-2 facility by EULEX. However, EULEX has now confirmed that it will not be able to establish such a facility, and reliable services in these areas are not available in Kosovo. The Mission will therefore propose that the in-house capacity of those services be regularized in the budget proposal for 2012/13;

(c) Relocation of Mitrovica regional office from the current location to suitable commercial premises, as the current office is located in a socially owned enterprise that does not meet health and safety standards. The rental cost for the regional office is already included in the proposed budget for 2011/12.

40. **The Advisory Committee reiterates its expectation that the Mission will continue to evaluate the results achieved through the mission support plan. The results achieved and efficiencies identified should be provided in the context of the next budget submission (see A/64/660/Add.6, para. 31).**

Efficiency gains/green technology project

41. Information with respect to the efficiency gains is provided in paragraph 57 of the proposed budget for 2011/12. One potential efficiency gain is a proposed green technology initiative to reduce the Mission's carbon dioxide emissions, by which the installation of solar heaters ($30,000) would result in savings in electrical consumption by 30 per cent from 2012/13 onwards. Based on the estimated electrical consumption cost of $290,300 for 2011/12, future annual savings are estimated at $87,100, less maintenance costs (A/65/711, paras. 14 and 57). **The Advisory Committee expects that efficiency gains from this and other initiatives will be reflected in future budget submissions.**

Other matters

Training

42. Information with respect to the estimated requirements for training for the 2011/12 period is provided in paragraphs 60 to 62 of the Secretary-General's report on the proposed budget. It is indicated that, while the training requirements for 2011/12 are similar to those of previous periods, the increase in resource requirements, as compared with the budget for 2010/11, is attributable to the conduct by external consultants of security training and training in the area of post-conflict civil affairs and property litigation. The Advisory Committee notes from the

table in paragraph 61 that the number of proposed participants for training for 2011/12 has grown to 120 from the actual and planned numbers of 75 and 100 for 2009/10 and 2010/11, respectively.

43. Upon enquiry, the Advisory Committee was informed that the proposed provision for training ($246,900) reflects an average of one week per year per staff member, in accordance with guidance received from the Department of Peacekeeping Operations. The Committee was further informed that international administrative staff are usually trained at the United Nations Logistics Base in Brindisi, Italy, or at the Regional Service Centre at Entebbe, Uganda, while the substantive and national staff are trained in house. A number of additional training activities had been required recently owing to Headquarters initiatives such as Umoja, Inspira, the establishment of the Field Central Review Board and gender focal point training.

44. **The Advisory Committee deals with the issue of training in peacekeeping missions in the context of its general report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/65/743).**

Follow-up to the recommendations of the Board of Auditors

45. The Advisory Committee notes from section V of the proposed budget that, with respect to non-expendable property, the Mission has accepted the recommendations of the Board of Auditors and put in place physical verification procedures to correct discrepancies. As a result, the total number of non-located assets has been reduced from 648 items with an inventory value of $1.61 million to 274 items with a depreciated value of $190,035. An additional 46 items have been reported as lost or missing and submitted for a further write-off procedure (A/65/711, sect. V.C, p. 39). Regarding stock ratios and surplus, the Committee notes that the Mission identified 550 items as possible surplus as of January 2011, of which 179 items, with a depreciated value of $66,987 and in good condition, were declared as surplus by the Mission in accordance with key performance indicators (ibid., p. 40). **Notwithstanding the above, the Committee is of the view that the Mission should continue to intensify its efforts to implement the recommendations of the Board of Auditors.**

46. A summary of follow-up actions taken to implement the recommendations of the Board of Auditors is contained in section V.C of the proposed budget (A/65/711). The Advisory Committee requested and received a brief update on further actions taken by the Mission to implement the Board's recommendations, including in the areas of:

(a) Results-based-budgeting frameworks: revised the indicators of achievement and outputs in the proposed budget for 2011/12;

(b) Write-off and disposal: reduced the value of items pending write-off and disposal from $17.7 million to $5.9 million as at 14 February 2011;

(c) Publicly owned and socially owned enterprises: resolved all claims in accordance with instructions received from Headquarters;

(d) Gender balance: improved yearly since 2009;

(e) Creation and cancellation of obligations: complies with all the rules and regulations relating to the criteria;

(f) Recruitment lead times: continues to take measures to reduce lead times.

V. Conclusion

47. The action to be taken by the General Assembly in connection with the financing of UNMIK for the period from 1 July 2009 to 30 June 2010 is indicated in section V of the performance report (A/65/621). **The Advisory Committee recommends that the unencumbered balance of $148,600, as well as other income and adjustments in the amount of $8,148,500, be credited to Member States.**

48. The action to be taken by the General Assembly in connection with the financing of UNMIK for the period from 1 July 2011 to 30 June 2012 is indicated in section IV of the proposed budget (A/65/711). **The Advisory Committee recommends that the General Assembly appropriate an amount of $44,914,800 for the maintenance of the Mission for the 12-month period from 1 July 2011 to 30 June 2012.**

Documentation

- Performance report on the budget of the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2009 to 30 June 2010 (A/65/621)
- Budget for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2011 to 30 June 2012 (A/65/711)
- Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo (S/2011/43)
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2009 to 30 June 2010 (A/65/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/65/743)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Interim Administration Mission in Kosovo (A/64/660/Add.6)
- General Assembly resolutions 63/295 and 64/279 on the financing of the United Nations Interim Administration Mission in Kosovo
- Security Council resolution 1244 (1999)

Annex I

Current and projected expenditures for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2010 to 30 June 2011

(Thousands of United States dollars)

	1 July 2010 to 31 January 2011			*Projected 1 February to 30 June 2011*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	404.5	192	213	176	368	37	9.0	The variance is attributable to: the 9 per cent appreciation of the United States dollar against the euro; and the lower cost of travel for rotation and repatriation
Military contingents	0.0	—	—	—	—	—	—	
United Nations police	400.2	216	184	131	347	53	13.3	The variance is attributable to: the 9 per cent appreciation of the United States dollar against the euro; and the lower cost of travel for rotation and repatriation of United Nations police officers
Formed police units	0.0	—	—	—	—	—	—	
Subtotal	**804.7**	**408**	**397**	**307**	**715**	**90**	**11.1**	
Civilian personnel								
International staff	27 335.9	14 077	13 259	11 060	25 137	2 199	8.0	The variance is mainly attributable to the decreased post adjustment rate, which was budgeted at 51.4 per cent, although the actual average post adjustment rate from July 2010 to January 2011 was 43.1 per cent

	1 July 2010 to 31 January 2011			Projected 1 February to 30 June 2011				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
National staff	7 216.7	4 372	2 845	3 123	7 495	(278)	(3.9)	The variance is attributable to the lower projected vacancy rate of 1.4 per cent for local General Service staff as compared to the 4 per cent vacancy rate in the 2010/11 budget. In addition, the projection of 7.6 per cent for national professional staff is lower than the budgeted vacancy rate of 10 per cent
United Nations Volunteers	1 067.7	676	392	383	1 059	9	0.8	
General temporary assistance	30.4	191	(161)	(160)	31	(1)	(2.0)	
Subtotal	**35 650.7**	**19 316**	**16 335**	**14 406**	**33 722**	**1 929**	**5.4**	
Operational costs								
Government-provided personnel	0.0	—	—	—	—	—	—	
Civilian electoral observers	0.0	—	—	—	—	—	—	
Consultants	217.5	147	71	90	237	(20)	(9.0)	The variance is attributable to the provision of the daily subsistence allowance entitlement to the consultants on the Human Rights Advisory Panel, which was not taken into account at the time of budgeting
Official travel	629.1	445	184	318	763	(134)	(21.3)	The variance is attributable to additional requirements for travel in relation to training in information and communications technology for national staff to build in-house capacity to replace international contractors' services

	1 July 2010 to 31 January 2011			Projected 1 February to 30 June 2011				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	*Reasons for variance*
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	
Facilities and infrastructure	4 407.4	3 164	1 243	1 295	4 459	(52)	(1.2)	
Ground transportation	1 764.6	785	980	1 023	1 808	(43)	(2.5)	
Air transportation	0.0	—	—	—	—	—	—	
Naval transportation	0.0	—	—	—	—	—	—	
Communications	2 199.1	1 497	702	562	2 059	140	6.4	The variance is attributable to the replacement of some services provided by international contractors with the in-house capacity of trained national staff
Information technology	1 367.4	900	467	468	1 368	(1)	(0.0)	
Medical	151.2	38	113	118	156	(5)	(3.2)	
Special equipment	0.0	—	—	—	—	—	—	
Other supplies, services and equipment	682.7	741	(58)	338	1 079	(396)	(58.0)	The variance is attributable to the non-budgeted requirement for ex gratia compensation to people injured during the 10 February 2007 demonstration in Pristina as well as for services of individual international contractors.
Quick-impact projects	0.0	—	—	—	—	—	—	
Subtotal	**11 419.0**	**7 717**	**3 702**	**4 212**	**11 929**	**(510)**	**(4.5)**	
Gross requirements	**47 874.4**	**27 441**	**20 433**	**18 925**	**46 366**	**1 508**	**3.2**	
Staff assessment income	4 558.1	2 629	—	1 929	4 558	0	0.0	
Net requirements	**43 316.3**	**24 812**	**20 433**	**16 996**	**41 808**	**1 508**	**3.5**	
Voluntary contributions in kind (budgeted)	0.0	—	—	—	—	—	—	
Total requirements	**47 874.4**	**27 441**	**20 433**	**18 925**	**46 366**	**1 508**	**3**	

Annex II

Summary of proposed staffing changes for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2011 to 30 June 2012

Office/Section/Unit	*Number*	*Level*	*Description*
Executive direction and management			
Office of the Special Representative of the Secretary-General			
	+1	D-2	Deputy Special Representative of the Secretary-General position reassigned from the Office of the Chief of Staff
	+1	D-1	Chief of Staff position reassigned from the Military Liaison Office
	+1	P-4	Political Affairs Officer post redeployed from the Office of the Chief of Staff
	+2	P-3	Political Affairs Officer posts redeployed from the Office of the Chief of Staff
	+2	FS	Personal Assistant and Administrative Assistant posts redeployed from the Office of the Chief of Staff
	+3	NGS	Administrative Assistant posts redeployed from the Office of the Chief of Staff
	+2	UNV	United Nations Volunteers positions redeployed from the Office of the Chief of Staff
Subtotal	**+12**		
Office of the Chief of Staff			
	-1	D-2	Chief of Staff position reassigned to the Office of the Special Representative of the Secretary-General
	-1	P-5	Deputy Chief of Staff position reassigned to the Military Liaison Office
	-1	P-4	Political Affairs Officer post redeployed to the Office of the Special Representative of the Secretary-General
	-2	P-3	Political Affairs Officer posts redeployed to the Office of the Special Representative of the Secretary-General
	-2	FS	Personal Assistant and Administrative Assistant posts redeployed to the Office of the Special Representative of the Secretary-General
	-3	NGS	Administrative Assistant posts redeployed to the Office of the Special Representative of the Secretary-General
	-2	UNV	United Nations Volunteer positions redeployed to the Office of the Special Representative of the Secretary-General
	-1	UNV	United Nations Volunteer position redeployed to the Office of Political Affairs
Subtotal	**-13**		

Office/Section/Unit	*Number*	*Level*	*Description*
Component 1: substantive			
Office of Political Affairs			
	+1	P-4	Political Affairs Officer post reassigned from the Office of Community Support and Facilitation
	+1	UNV	United Nations Volunteer position redeployed from the Office of the Chief of Staff
	-1	NGS	Outreach Assistant post redeployed to the Rule of Law Liaison Office
Subtotal	**+1**		
Rule of Law Liaison Office			
	-1	P-3	P-3 Forensic Anthropologist Officer post converted to National Officer post as Reporting Officer
	-1	P-2	P-2 Legal Officer post converted to National Officer post as Legal Officer
	+1	NGS	Reporting Assistant post redeployed from the Office of Political Affairs
	+2	NO	P-3 and P-2 posts converted to national Reporting Officer and Legal Officer posts
Subtotal	**+1**		
Military Liaison Office			
	-1	D-1	Chief Military Liaison Officer position reassigned to the Office of the Special Representative of the Secretary-General
	+1	P-5	Chief Military Liaison Officer position reassigned from the Office of the Special Representative of the Secretary-General
Subtotal	**—**		
Office of Community Support and Facilitation			
	-1	P-4	Human Rights Officer post reassigned to the Office of Political Affairs
	+1	NGS	Reporting Assistant post established
Subtotal	**+0**		
Office of Spokesperson and Public Information			
	+1	P-5	Spokesperson post established
	-1	P-3	Public Information Officer post abolished
Subtotal	**+0**		

Office/Section/Unit	*Number*	*Level*	*Description*
Component 2: support			
United Nations Office in Belgrade			
	+1	NGS	Driver reassigned from the Security Section
Subtotal	**+1**		
Finance Section			
	-1	FS	Finance Assistant post abolished
Subtotal	**-1**		
General Services Section			
	+1	FS	Movement Control Assistant redeployed from Technical Support Services
	-1	NO	Asset Disposal Officer post abolished
	-5	NGS	Data Entry Assistant, Inventory Control Assistant, 2 Mail and Pouch Assistants and Records and Archives Assistant posts abolished
	+1	NGS	Logistics Assistant post reassigned from Technical Support Services
Subtotal	**-4**		
Communications and Information Technology			
	-1	FS	Information System Assistant post abolished
	-3	NGS	Material and Asset Assistant, Telecommunications Technician and Telecommunications Assistant posts abolished
Subtotal	**-4**		
Technical Support Services			
	-1	FS	Movement Control Assistant post redeployed to the General Services Section
	-1	NGS	Logistics Assistant redeployed to the General Services Section
	-1	NGS	Logistics Assistant post abolished
Subtotal	**-3**		
Supply Section			
	-2	FS	Supply Assistants redeployed to the Logistics Section
	-9	NGS	Supply Assistants redeployed to the Logistics Section
Subtotal	**-11**		
Engineering Section			
	-1	P-4	Chief Engineer redeployed to the Logistics Section
	-1	P-3	Engineer redeployed to the Logistics Section

Office/Section/Unit	*Number*	*Level*	*Description*
	-2	FS	Facilities Management Assistant posts redeployed to the Logistics Section
	-1	NO	Engineer redeployed to the Logistics Section
	-12	NGS	Facilities Management Assistants redeployed to the Logistics Section
	-7	NGS	7 Facilities and Management Assistant posts abolished
Subtotal	**-24**		
Transport Section			
	-3	FS	1 Chief Transport Officer and 2 Transport Assistant posts redeployed to the Logistics Section
	-17	NGS	3 Transport Assistant, 2 Inventory and Supply Assistant, 1 Administrative Assistant, 5 Vehicle Technician, 1 Dispatcher and 5 Driver posts redeployed to the Logistics Section
	-5	NGS	4 Driver and 1 Transport Assistant posts abolished
Subtotal	**-25**		
Logistics Section			
	+1	P-4	Chief Logistics Officer redeployed from the Engineering Section
	+1	P-3	Engineer redeployed from the Engineering Section
	+7	FS	Logistics Officer post reassigned from the Technical Support Section, 1 post reassigned from the Supply Section, 2 posts reassigned from the Engineering Section and 3 posts reassigned from the Transport Section
	+1	NO	Engineer reassigned from the Engineering Section
	+38	NGS	9 posts reassigned from the Supply Section, 12 posts reassigned from the Engineering Section, 17 posts reassigned from the Transport Section
Subtotal	**+48**		
Security Section			
	-1	NGS	Security Guard reassigned to the United Nations Office in Belgrade
Subtotal	**-1**		
Total			
International	-4		
National	-19		

Abbreviations: GTA = general temporary assistance; NO = National Officer; NGS = national General Service; FS = Field Service; UNV = United Nations Volunteers.

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Mission for the Referendum in Western Sahara

Financial performance report for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Mission for the Referendum in Western Sahara

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2009/10	$53,527,600
Expenditure for 2009/10	$51,936,200
Unencumbered balance for 2009/10	$1,591,400
Appropriation for 2010/11	$57,130,500
Projected expenditure for 2010/11[a]	$57,129,600
Estimated unencumbered balance for 2010/11	$900
Proposal submitted by the Secretary-General for 2011/12	$61,429,700
Recommendation of the Advisory Committee for 2011/12	$61,429,700

[a] Estimates as at 31 January 2011 (see annex I).

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I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends approval of the Secretary-General's proposals for the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 2011 to 30 June 2012, and has made observations where appropriate below.**

2. The general report of the Advisory Committee on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/65/743) contains its views and recommendations on a number of cross-cutting issues. In the present report, the Committee deals with resources and other items that relate specifically to MINURSO.

3. In considering the Secretary-General's proposals for MINURSO for the period from 1 July 2011 to 30 June 2012 (A/65/720), the Advisory Committee has taken into account the recommendations of the Board of Auditors related to the mission (see A/65/5 (Vol. II), chap. II). The report of the Advisory Committee on the Board's report on United Nations peacekeeping operations is contained in document A/65/782. **The Advisory Committee reiterates the need for the expeditious implementation of the relevant recommendations of the Board of Auditors.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of MINURSO are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2009 to 30 June 2010

5. By its resolution 63/300, the General Assembly appropriated an amount of $53,527,600 gross ($51,338,900 net) for the maintenance of MINURSO for the period from 1 July 2009 to 30 June 2010, exclusive of budgeted voluntary contributions in kind in the amount of $3,048,900. The full amount has been assessed on Member States. Expenditures for the period totalled $51,936,200 gross ($49,608,600 net), resulting in an unencumbered balance of $1,591,400 gross ($1,730,300 net), which represents, in gross terms, 3 per cent of the total appropriation.

6. Underexpenditures were incurred under, inter alia, the following categories:

(a) Facilities and infrastructure ($494,200, or 10.8 per cent), due to lower expenditures on security equipment resulting from the decision to substitute less costly Internet protocol cameras for one closed-circuit television (CCTV) system, and to lower expenditures for maintenance as well as for alteration and renovation projects owing to delays or difficulties in contracting related services;

(b) Ground transportation ($410,900, or 7.8 per cent), mainly due to lower than budgeted freight costs related to the acquisition of vehicles;

(c) Air transportation ($1,597,400, or 11.7 per cent), due to lower than planned hours flown by the Mission's aircraft resulting from the unavailability of one of the three helicopters as well as the non-serviceable condition of one of the team site runways;

(d) Communications ($160,000, or 10.2 per cent), mainly due to the lower than budgeted cost of the rental of satellite transponders.

7. Overexpenditures were incurred, inter alia, under the following categories:

(a) Military observers ($238,700, or 4.4 per cent), due to a lower than budgeted average overall vacancy rate (1.1 per cent as compared to 7 per cent);

(b) International staff ($314,400, or 2.2 per cent), due to the increase in requirements resulting from the new contractual arrangements in accordance with General Assembly resolution 63/250;

(c) National staff ($462,200, or 14.3 per cent), due to the increase in requirements resulting from the new contractual arrangements in accordance with General Assembly resolution 63/250;

(d) Other supplies, services and equipment ($143,100, or 8.8 per cent), mainly due to the underestimation of the costs of rations, warehousing and bottled water in the budget as well as currency exchange losses.

8. As indicated in the performance report (see A/65/665, para. 27), funds were redeployed between groups — from operational costs to military and police personnel and civilian personnel costs — to cover increased resource requirements due to the lower than budgeted vacancy rate for military observers and the increased requirements for international and national staff salaries and related costs (see para. 7 (b) and (c) above).

9. The comments of the Advisory Committee on the information contained in the performance report relating to individual objects of expenditure can be found, where relevant, in its consideration of the proposed budget for the period from 1 July 2011 to 30 June 2012 in the paragraphs below.

III. Financial position and information on performance for the current period

10. The Advisory Committee was informed that, as at 23 February 2011, a total of $840,902,000 had been assessed on Member States in respect of MINURSO since its inception. Payments received as at that date amounted to $790,979,000, leaving an outstanding balance of $49,923,000. As at 14 February 2011, the cash available to the Mission amounted to $4,800,000. Taking into account a three-month operating reserve of $14,152,000, as well as an outstanding loan from the Special Account for the United Nations Protection Force in the amount of $4 million, the Mission's cash shortfall as at the same date amounted to $9,352,000. **The Advisory Committee continues to be concerned at the persistent precariousness of the financial situation of MINURSO and its impact on timely reimbursements to troop-contributing countries (see A/64/660/Add.2), and recalls, in that connection, that the General Assembly has consistently stressed that all Member States should fulfil their financial obligations on time, in full and without conditions (see also A/65/775, para. 9), as set out in the Charter of the United Nations.**

11. The Advisory Committee was also informed that, as at 31 December 2010, $52,950 was owed for troops and $438,000 for contingent-owned equipment. With

regard to death and disability compensation, as at 28 February 2011, $80,000 had been paid in respect of two claims. No death and disability claims were pending and unliquidated obligations relating to death and disability claims amounted to $20,000.

12. The Advisory Committee was informed that, as at 31 January 2011, the human resources incumbency for MINURSO for the period from 1 July 2010 to 30 June 2011 was as follows:

Category	*Posts authorized*[a]	*Posts encumbered*	*Vacancy rate (percentage)*
Military observers	203	200	1.0
Military contingent personnel	27	27	—
United Nations police	6	2	67
Government-provided personnel	10	4	60
Posts			
International staff	108	100	7.0
National staff	164	162	1.0
General temporary assistance			
National staff	2	2	—
United Nations Volunteers	20	19	5.0

[a] Represents the highest authorized strength for the period.

13. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2010 to 30 June 2011 (see annex I). Expenditures for the period as at 31 January 2011 amounted to $34,980,100 gross against an apportionment of $57,130,500 gross. For the entire financial period, current and projected expenditures amount to $57,129,600, resulting in a projected unencumbered balance of $900.

IV. Proposed budget for the period from 1 July 2011 to 30 June 2012

A. Mandate and planned results

14. The mandate of MINURSO was established by the Security Council in its resolution 690 (1991). The most recent extension of the mandate, to 30 April 2011, was authorized by the Council in its resolution 1920 (2010).

15. During the budget period, the Mission will continue to work towards a just, lasting and mutually acceptable political solution that will provide for the self-determination of the people of Western Sahara. Within that objective, the Mission intends to continue to observe and monitor compliance with the ceasefire; support the Personal Envoy of the Secretary-General for Western Sahara; facilitate the work of the Office of the United Nations High Commissioner for Refugees (UNHCR) aimed at enhancing relations between the divided communities of Sahrawis; assist the representatives of the African Union in Laayoune; conduct surveys of hazardous

areas contaminated by mines and other explosive remnants of war in cooperation with the Royal Moroccan Army west of the berm and Landmine Action, a non-governmental organization, east of the berm; and continue to build on the progress achieved in the area of information management in cooperation with the Geneva International Centre for Humanitarian Demining.

16. The Advisory Committee notes from the performance report that planned outputs for expected accomplishment 1.2 (see A/65/665, para. 24) included logistical support for the continuation of confidence-building measures between the parties, including the provision of escorts to 38 refugee family exchange visits by six United Nations police officers. In the report, the Secretary-General indicated that, during the performance period, the lower than planned number of visits stemmed from the interruption of the confidence-building measures programme on 26 March 2010 as a result of the parties' disagreement over UNHCR procedures for the selection of beneficiaries. The Advisory Committee was informed during the hearing that, to address that issue, the parties had recently met in Geneva and agreed to enhance the programme, possibly developing a land route that would provide more opportunities for the families to meet with their loved ones who live across the berm. **The Advisory Committee trusts that the Mission will continue to monitor the situation with a view to providing maximum support to the confidence-building measures programme.**

B. Resource requirements

17. The proposed budget for MINURSO for the period from 1 July 2011 to 30 June 2012 (A/65/720) amounts to $61,429,700, representing an increase of $4,299,200, or 7.5 per cent, in gross terms, over the total apportionment of $57,130,500 for the preceding period. The proposed budget provides for the deployment of 203 military observers, 27 military contingent personnel, 6 United Nations police officers, 102 international staff, 172 national staff (including 2 general temporary assistance positions), 20 United Nations Volunteers and 10 Government-provided personnel. An analysis of variances is provided in section III of the proposed budget.

18. The Advisory Committee notes that, for the 2011/12 period, budgeted voluntary contributions in kind in the amount of $1,769,901 are expected from the Government of Morocco ($1,459,878), the Government of Algeria ($284,825), and the Frente Polisario ($25,198) (see A/65/720, sect. II.A). Non-budgeted contributions for 2011/12, in respect of accommodation, are also expected from the Government of Morocco ($1,394,000) and Algeria ($82,000) (ibid., sect. II.B). **The Advisory Committee notes the continued contributions with appreciation.**

1. Military and police personnel

Category	*Approved 2010/11*[a]	*Proposed 2011/12*[a]	*Variance*
Military observers	203	203	—
Military contingents	27	27	—
United Nations police	6	6	—

[a] Represents highest level of authorized strength.

19. The estimated requirements for military and police personnel for the 2011/12 period amount to $6,647,400, a decrease of $169,300, or 2.5 per cent, compared with the apportionment of $6,816,700 for 2010/11. The decreased requirements for military observers are attributable to a reduction in the cost of travel and a decrease in the number of military observers who are provided with rations, partly offset by an increase in the cost of ration packs. The reduced requirements for military contingents are mainly attributable to one rotation a year for the Bangladeshi contingent compared to two rotations for the Malaysian contingent and a decrease in contingent personnel who are provided with rations at team sites from 10 to 6.

2. Civilian personnel

Category	*Approved 2010/11*[a]	*Proposed 2011/12*[a]	*Variance*
International staff	108	102	(6)
National staff[b]	164	170	6
United Nations Volunteers	20	20	—
Temporary positions[c]	2	2	—

[a] Represents the highest level of authorized/proposed strength.
[b] Includes National Officers and national General Service staff.
[c] Funded under general temporary assistance.

20. The estimated requirements for civilian personnel for the 2011/12 period amount to $22,559,000, representing an increase of $2,630,000, or 13.2 per cent, over the apportionment of $19,929,000 for 2010/11. The following vacancy factors have been applied to the cost estimates: 3 per cent for international staff; 5 per cent for the national General Service staff; and 5 per cent for United Nations Volunteers.

21. The additional requirement of $2,000,200 (an increase of 12.8 per cent) for international staff is due primarily to increased common staff costs pursuant to General Assembly resolution 65/248, as well as a revised salary scale in effect from January 2011. The additional requirement of $557,700 (an increase of 16 per cent) for national staff is due to an increase in the number of staff from 164 in 2010/11 to 170 in 2011/12, the application of a vacancy rate for national general service of 5 per cent as compared to 7 per cent used in 2010/11 and an average salary calculated at level 4, step 1, for staff based in Laayoune as compared to level 3, step 5, the previous year. The additional requirement of $69,600 (an increase of 9.4 per cent) for United Nations Volunteers is mainly attributable to the inclusion of rest and recuperation travel pursuant to General Assembly resolution 65/248. **The Advisory Committee's views and comments on the implementation of General Assembly resolution 65/248 will be reflected in the context of its general report on the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/65/743).**

Recommendations on posts

22. The Secretary-General is proposing the conversion of six Field Service posts to national General Service posts, and the reclassification of four posts. A detailed summary of the proposed staffing changes is presented in annex II to the present report.

Conversions of posts

23. The Secretary-General is proposing the conversion of five Field Service posts to national General Service posts to offset the additional costs under international staff salaries and entitlements resulting from the harmonization of the conditions of service pursuant to General Assembly resolution 65/248. Also proposed is the conversion of one Field Service post to a national General Service post and its reclassification to a National Officer post to build national capacity and enhance the capability of the Procurement Section. The proposed conversions are as follows:

- One Facilities Management Assistant (Field Service) post in the Tindouf Liaison Office to an Administrative Assistant national General Service post (see A/65/720, para. 16);
- One Administrative Assistant (Field Service) post in the Office of the Chief of Mission Support converted to a national General Service post (ibid., para. 20);
- One Property Control and Inventory Assistant (Field Service) post in the Property Management Section converted to a national General Service post (ibid., para. 26);
- One Procurement Officer (Field Service) post in the Procurement Section converted to a national General Service post (ibid., para. 23);
- One Fuel Assistant (Field Service) post in the Joint Logistics Operations Centre converted to a national General Service post (ibid., para. 25);
- One Driver (Field Service) post in the Transport Section converted to a national General Service post (ibid., para. 24).

The Advisory Committee has no objection to the conversion of six Field Service posts to national General Service posts.

Reclassification of posts

24. The Secretary-General is proposing the reclassification of one national General Service post of Protocol Assistant in the Office of the Chief of Mission Support to a National Officer post of Protocol Officer. In support of the proposal, the Secretary-General states that the functions of the post have evolved to include contact with host Government officials on sensitive matters requiring problem-solving skills and an understanding of local laws (see A/65/720, para. 21).

25. The Secretary-General is proposing the upward reclassification of one P-2 Associate Procurement Officer in the Procurement Section to a P-3 Procurement Officer, which would allow the Section to review and approve significant purchases in the absence of the Field Service post, currently at the FS-6 level, which is proposed for conversion to national General Service, as indicated in para. 23 above. In support of his proposal, the Secretary-General states that the reclassification will enable the incumbent to perform duties as Officer-in-Charge in the absence of the Chief Procurement Officer as well as approve procurement contracts of up to $50,000, as the authority of the P-2 Associate Procurement Officer is limited to $25,000 (see A/65/720, para. 22). Upon request, the Advisory Committee was provided with information showing that approximately 23 per cent of the 374 purchase orders approved in the 2009/10 reporting period exceeded $25,000.

26. The Secretary-General is proposing the reclassification of one of the converted national General Service posts in the Procurement Section (see para. 23 above) to National Officer. The National Officer will perform the supervisory duties of a Procurement Officer and prepare presentations to the Local Committee on Contracts as well as serving as a member of the local vendor review committee (A/65/720, para. 23).

27. The Secretary-General is proposing the reclassification of the P-4 post of Chief of Communication and Information Technology in the Communication and Information Technology Section to a Field Service post at the FS-7 level to provide career opportunities for all information and communications technology staff in both the professional and field service categories. In support of the reclassification, the Secretary-General states, in the report, that it would ensure a larger pool of qualified applicants for the post and enhance mobility prospects for senior Field Service staff (A/65/720, para. 27).

28. **The Advisory Committee has no objection to the four reclassifications proposed by the Secretary-General.**

3. Operational costs

(United States dollars)

Apportioned 2010/11	*Proposed 2011/12*	*Variance*
30 384 800	32 223 300	1 838 500

Facilities and infrastructure

29. Estimated requirements amount to $4,467,800, an increase of $549,200, or 14 per cent, over the preceding period, mainly due to increased requirements for utilities, office supplies and tools for the engineering workshop, partially offset by reduced requirements for prefabricated facilities and fuel generators.

30. In the performance report for the period 2009/10 (A/65/665), the Secretary-General indicated that significant facility and infrastructure improvements were made at MINURSO team sites, including the replacement of soft-wall structures for accommodations with hard-wall structures at the team sites of Awsard, Oum Dreyga, Mahbas and Bir Lahlou; installation of water-treatment plants at Laayoune and two team sites; rehabilitation of desert airfields at team sites west of the berm with the assistance of the Royal Moroccan Army; and the completion of the reconstruction of some runways. The initiatives resulted in a reduction of the travel time between Laayoune and Oum Dreyga, increased delivery of supplies by road and a reduction in the requirements for bottled water through the use of water treatment plants (see A/65/665, para. 18). The Advisory Committee notes that further requirements for similar activities such as fencing, water-treatment and lighting systems are included in the proposed budget for 2011/12 (A/65/720). **The Advisory Committee notes with concern the low implementation rate for the construction of perimeter fencing, fuel reservoirs, ablutions, runways and helicopter landing sites and encourages the Secretary-General to take the necessary measures to expedite the completion of the outstanding projects.**

Other supplies, services and equipment

31. Estimated requirements amount to $3,624,900, an increase of $942,000, or 35.1 per cent over the preceding period, mainly due to increased requirements for mine clearing services as the Mission transitions from traditional battle area clearance of cluster munitions to sub-surface minefield area clearance and to the contract for providing mine risk education to the local population.

32. The Advisory Committee notes the efforts of the Mission's Mine Action Coordination Centre aimed at eradicating the threat of landmines and explosive remnants of war and the corresponding increase in resource requirements. According to the Secretary-General, the use of the Information Management System for Mine Action database has enabled better coordination between the Mission and its partners, in the collection, management and utilization of mine clearing data. As indicated in para. 31 above, the activities will transition from battle area clearance of cluster munitions and items of unexploded ordnance to the more resource-intensive survey, clearance and destruction of minefields. In addition, the proposed budget (A/65/720) includes resource proposals for dissemination of relevant information to the general public in the amount of $189,000, an activity highlighted by the Advisory Committee in its previous report (A/64/660/Add.2). Upon request, the Advisory Committee was provided with additional information on the Mission's mine action operations (see annex III).

Quick-impact projects

33. In the 2011/12 budget, the Secretary-General proposes requirements of $50,000 for two quick-impact projects for wells east of the berm to provide water to team sites and the local population (see A/65/720, sect. II.A). The projects are expected to enhance the image of MINURSO among the local population and expand its presence in the area. **The Advisory Committee notes that this is the first request for quick-impact projects by the Mission and welcomes the initiative as part of the effort to enhance relations between MINURSO and the local population. The Committee encourages the Mission to ensure the timely implementation of the projects.**

V. Conclusion

34. The actions to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2009 to 30 June 2010 are indicated in paragraph 43 of the performance report (A/65/665). **The Advisory Committee recommends that the unencumbered balance of $1,591,400, as well as other income/adjustments in the amount of $795,300, be credited to Member States.**

35. The actions to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2011 to 30 June 2012 are indicated in paragraph 55 of the proposed budget (A/65/720). **The Advisory Committee recommends that, should the Security Council decide to extend the mandate of the Mission beyond 30 April 2011, the General Assembly appropriate an amount of $61,429,700 for the maintenance of the Mission for the 12-month period from 1 July 2011 to 30 June 2012.**

Documentation

- **Performance report on the budget of the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2009 to 30 June 2010 (A/65/665)**
- **Budget for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2011 to 30 June 2012 (A/65/720)**
- **Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2009 (A/64/5 (Vol. II))**
- **Report of the Secretary-General on the situation concerning Western Sahara (S/2010/175)**
- **General Assembly resolution 65/112 on the question of Western Sahara**
- **Security Council resolution 1920 (2010)**

Annex I

Current and projected expenditures for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2010 to 30 June 2011

(Thousands of United States dollars)

		1 July 2010 to 31 January 2011		*Projected 1 February to 30 June 2011*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	5 855.5	3 429.2	2 426.3	2 375.0	5 804.2	51.3	0.9	The unutilized balance is due to the projected average vacancy rate of 3 per cent, which was higher than the 2 per cent applied in the budget
Military contingents	796.6	752.9	43.7	199.1	952.0	-155.4	-19.5	The additional requirement is due to the non-budgeted cost of the shipment of Malaysian medical unit equipment. The Malaysian medical unit has been repatriated and was replaced by the Bangladeshi medical unit during the reporting period
United Nations police	164.6	74.1	90.5	53.0	127.1	37.5	22.8	The higher projected average vacancy rate of 49 per cent as compared to no vacancy budgeted is the contributing factor to the underutilized balance. The underutilized balance is partially offset by the non-budgeted repatriation cost of four civilian police following the end of activities on confidence-building measures

	1 July 2010 to 31 January 2011			*Projected 1 February to 30 June 2011*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Formed police	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Subtotal	**6 816.7**	**4 256.2**	**2 560.5**	**2 627.1**	**6 883.3**	**-66.6**	**-1.0**	
Civilian personnel								
International staff	15 649.4	9 314.7	6 334.7	6 436.5	15 751.2	-101.8	-0.7	The additional requirement is mainly due to the projected average vacancy rate of 7 per cent, which is lower than the 10 per cent applied in the budget
National staff	3 495.2	2 229.2	1 266.0	1 443.3	3 672.5	-177.3	-5.1	The lower projected average vacancy of 2 per cent as compared to the 7 per cent planned is the main contributor to the overrun
United Nations Volunteers	739.9	487.9	252.0	270.0	757.9	-18.0	-2.4	The additional requirement is due to the projected vacancy of 2.5 per cent which is lower than the 5 per cent applied in the budget
General temporary assistance	44.5	23.4	21.1	12.5	35.9	8.6	19.3	Due to a higher than planned vacancy rate year to date and projected incumbency of 50 per cent for the remainder of the year. One of the two budgeted general temporary assistance positions is not expected to be filled during the reporting period
Subtotal	**19 929.0**	**12 055.2**	**7 873.8**	**8 162.3**	**20 217.5**	**-288.5**	**-1.4**	

		1 July 2010 to 31 January 2011		Projected 1 February to 30 June 2011				
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2011	Variance (percentage)	Reasons for variance
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	
Operational costs								
Government-provided personnel	39.4	23.2	16.2	16.8	40.0	-0.6	-1.4	
Civilian electoral observers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Consultants	15.0	0.0	15.0	15.0	15.0	0.0	0.0	
Official travel	690.0	407.4	282.6	81.2	488.6	201.4	29.2	The unutilized balance is due to postponement of some planned official travel which could not take place as the relevant parties were not available. Some savings were also obtained by sourcing cheaper flight options for United Nations staff travel
Facilities and infrastructure	3 918.6	1 770.7	2 147.9	1 398.0	3 168.7	749.9	19.1	The unutilized balance is due to the cancellation of the acquisition of budgeted equipment as a result of availability from closing missions.
Ground transportation	3 897.8	2 034.2	1 863.6	975.1	3 009.3	888.5	22.8	The unutilized balance is due to the cancellation of procurement of heavy trailers, which will be available from a closed peacekeeping mission

		1 July 2010 to 31 January 2011		*Projected 1 February to 30 June 2011*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Air transportation	16 487.6	11 193.6	5 294.0	7 308.3	18 501.9	-2 014.3	-12.2	The additional requirement is due to a higher funding requirement than that approved by the General Assembly for the rental of fixed-wing aircraft and helicopters. The contracts for the rental of fixed-wing and rotary-wing aircraft remained unchanged as compared to the previous financial period
Naval transportation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Communications	1 374.4	850.4	524.0	509.0	1 359.4	15.0	1.1	
Information technology	1 055.9	677.7	378.2	273.0	950.7	105.2	10.0	Planned acquisitions and projects have been deferred in order to identify funds for the payment of aviation contracts
Medical	134.5	76.8	57.7	53.2	130.0	4.5	3.4	
Special equipment	88.7	0.0	88.7	45.0	45.0	43.7	49.3	Only half the planned replacement equipment will be purchased as the night patrol was suspended for almost six months and the useful life of the older equipment was extended for six months, allowing deferral of replacements until the following period

		1 July 2010 to 31 January 2011		Projected 1 February to 30 June 2011				
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure including projected	Estimated unencumbered balance as at 30 June 2011	Variance (percentage)	
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	Reasons for variance
Other supplies, services and equipment	2 682.9	1 634.7	1 048.2	685.6	2 320.3	362.7	13.5	Planned acquisitions and projects have been deferred in order to identify funds for the payment of aviation contracts
Quick-impact projects	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Subtotal	**30 384.8**	**18 668.7**	**11 716.1**	**11 360.1**	**30 028.8**	**356.0**	**1.2**	
Gross requirements	**57 130.5**	**34 980.1**	**22 150.4**	**22 149.5**	**57 129.6**	**0.9**	**0.0**	
Staff assessment income	2 408.1	1 488.5	919.6	920.0	2 408.5	-0.4	0.0	
Net requirements	**54 722.4**	**33 491.6**	**21 230.8**	**21 229.5**	**54 721.1**	**1.3**	**0.0**	
Voluntary contributions in kind (budgeted)	2 908.0	122.0	2 786.0	2 786.0	2 908.0	0.0	0.0	
Total requirements	**60 038.5**	**35 102.1**	**24 936.4**	**24 935.5**	**60 037.6**	**0.9**	**0.0**	

Annex II

Summary of proposed changes in staffing by component for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2011 to 30 June 2012

Office/Section/Unit	*Number*	*Level*	*Description*
Executive direction and management			
Tindouf Liaison Office	- 1	Field Service	Conversion of Facilities Management Assistant post to national General Service post
	+ 1	national General Service	Establishment of a national General Service post as Administrative Assistant by conversion of a Facilities Management Assistant post
Subtotal	—		
Component 4: support			
Office of the Chief of Mission Support	- 1	Field Service	Conversion of Administrative Assistant post to national General Service post
	+ 1	National Officer	Reclassification of Protocol Assistant post to Protocol Officer post
	+ 1	national General Service	Establishment of a national General Service post by conversion of an Administrative Assistant post
	- 1	national General Service	Reclassification to a Protocol Officer post from a Protocol Assistant post
Property Management Section	- 1	Field Service	Conversion of a Property Control and Inventory Assistant post to a national General Service post
	+ 1	national General Service	Establishment of a national General Service post by conversion of a Property Control and Inventory Assistant post
Procurement Section	+ 1	P-3	Reclassification of an Associate Procurement Officer post to a Procurement Officer post
	- 1	P-2	Reclassification to a Procurement Officer post from an Associate Procurement Officer post
	- 1	Field Service	Conversion of a Procurement Officer post to a national General Service post
	+ 1	National Officer	Establishment of a National Officer post of Procurement Officer by conversion of a national General Service post

Office/Section/Unit	*Number*	*Level*	*Description*
	+ 1	national General Service	**Establishment of a national General Service post by conversion of a Procurement Officer post**
	- 1	national General Service	**Reclassification to a National Officer post**
Joint Logistics Operation Centre	- 1	Field Service	**Conversion of a Fuel Assistant post to a national General Service post**
	+ 1	national General Service	**Establishment of a national General Service post by conversion of a Fuel Assistant post**
Communication and Information Technology Section	- 1	P-4	**Reclassification of the P-4 Chief of Communication and Information Technology post to an FS-7 post**
	+ 1	Field Service	**Reclassification to an FS-7 post from a P-4 Chief of Communication and Technology post**
Transport Section	- 1	Field Service	**Conversion of Driver post to a national General Service post**
	+ 1	national General Service	**Establishment of a national General Service post by conversion of Driver post**
Subtotal	—		
Total			
International posts	—		
National posts	—		
United Nations Volunteers	—		
Temporary positions (general temporary assistance)	—		
International positions	—		
National positions	—		

Annex III

Mine action operations

In line with its request, the Advisory Committee on Administrative and Budgetary Questions was provided with the information below in relation to mine action operations at the United Nations Mission for the Referendum in Western Sahara (see para. 32 of the present report).

Background

- In 2005, mine action operations commenced with one Military Observer in Laayoune and an international non-governmental organization conducting mine risk education in the refugee camps with bilateral funding
- In 2007, the United Nations Mine Action Service conducted an assessment mission in relation to mine action operations support to Western Sahara and MINURSO
- In February 2008, the Mine Action Coordination Centre was established in MINURSO
- In November 2009, a Senior Technical Adviser was recruited to manage the mine action programme in MINURSO
- In March 2010, a Programme Officer responsible for the Information Management System for Mine Action was recruited
- In October 2010, a request to the Swedish Civil Contingency Agency for a gratis assignment of an Information Management System officer was approved until March 2011. The intention was to establish a fully dedicated capacity
- In October 2010, an Operations/Quality Assurance Officer was recruited and assumed duties with the MINURSO Mine Action Coordination Centre as the present staff configuration was established

Clearance operations

During the 2006/07 budget year, Landmine Action, an international non-governmental organization based in the United Kingdom of Great Britain and Northern Ireland, conducted a general mine action assessment east of the berm, and results were released in November 2009. The results of the assessment indicated that hazardous areas east of the berm include 37 mine fields, 158 cluster munitions strike areas, and 433 unexploded ordnance spot locations. An additional 58 sites have since been identified.

Since July 2008, Landmine Action has focused on conducting battle area clearance on the known 158 cluster munitions strike areas. Of the additional 58 cluster munitions strike areas identified, 28 have been cleared. With improved techniques and a higher level of quality assurance, productivity has significantly improved. As a result, detailed planning projections indicate that all known cluster munitions strike areas east of the berm will be cleared by 30 June 2011.

Despite the removal of the cluster munitions strike areas, the threat of minefields remains. The mine action coordination centre plans to address this threat during the 2011/12 fiscal year by giving minefield clearance the highest priority.

The assets required and methodology applied for minefield clearance differ from those required for battle area clearance to remove cluster munitions for the simple reason that cluster munitions are found mainly on the surface while mines are buried. The mine action coordination centre has determined that an integrated approach using both mechanical clearance and a small number of manual deminers is the best solution. The introduction of a mechanical demining capability will increase the operating budget by approximately $800,000.

Cluster munitions sites

Status of cluster munitions sites

Year	*Status of cluster munitions sites*
2007 to 2009	158 found during survey + 58 additional sites found
2008/09	15 sites cleared
2010	71 sites cleared
2010	28 out of 58 newly discovered sites cleared
2011	14 sites cleared and 3 sites undergoing clearance
No later than 30 June 2011	88 total sites to be cleared (includes 3 pending clearance)

As at 23 February 2011, 128 cluster munitions sites had been cleared.

Minefield statistics

Date	*Action*
As of 23 February 2011	37 minefields identified
Between 23 February 2011 to 30 June 2011	None planned for clearance
Between 1 July 2011 to 30 June 2012	Planned clearance: 750,000 m²

Explosive ordnance disposal

Explosive ordnance tasks	433 surveyed
	231 cleared

Mine risk education

The funds budgeted in the 2011/12 fiscal year for mine risk education amount to $189,000 in response to the recommendation of the Advisory Committee in paragraph 33 of its report (A/64/660/Add.2). The funding is earmarked to allow local non-governmental organizations under the leadership of an international non-governmental organization to conduct mine risk education east and west of the berm.

Objectives

- Improved risk-avoidance practices to promote behavioural change among nomadic populations, enhancing their physical safety and strengthening efforts to improve their quality of life
- Exposure of at least 20,000 people of the nomadic population consisting of men, women and children to mine risk education by 30 June 2012, with the desired result that landmine and unexploded ordnance accidents will be reduced